



CHAMPIONING FAIR MARKETS

EMPOWERING CONSUMERS

ANNUAL REPORT 2023-2024

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THEME

The vibrant interplay of colours, textures and sizes converge to form a resilient braid, representing the rich diversity of businesses and consumers in Singapore's economy. Just as threads weave together to grow stronger over time, CCCS plays a crucial role in enhancing the competition and consumer protection regulatory and enforcement regime, ensuring that markets function effectively for the benefit of businesses and consumers in Singapore.

ABOUT CCCS

The Competition and Consumer Commission of Singapore ("CCCS") administers and enforces both the Competition Act 2004 which prohibits anti-competitive practices, as well as the Consumer Protection (Fair Trading) Act 2003 ("CPFTA") which protects consumers against unfair trade practices in Singapore. CCCS also represents Singapore on competition and consumer protection matters in the international arena. In addition, CCCS has a statutory duty to advise the government or other public authorities on national needs and policies in respect of competition and consumer protection matters.

MISSION

Making markets work well to create opportunities and choices for businesses and consumers in Singapore.

VISION

A vibrant economy with well-functioning and innovative markets.

VALUES

- 

INTEGRITY
- 

PROFESSIONALISM
- 

PASSION
- 

TEAMWORK

THE FUNCTIONS OF CCCS ARE SUPPORTED BY EIGHT DIVISIONS



Legal



Enforcement



Consumer Protection



Business and Economics



Policy and Markets



Data and Digital



Corporate Affairs



International, Communications and Planning

CHAIRMAN'S MESSAGE

Amidst a dynamic economic environment, CCCS is committed to promoting fair markets and empowering consumers through rigorous enforcement. We are focused on strengthening competition regulation, fostering international partnerships, and ensuring a transparent and competitive marketplace.

Competition and consumer protection laws work together. A fundamental characteristic of a free-market economy is competition, which serves as a primary catalyst for fostering entrepreneurship and sustaining ongoing productivity. Competition compels businesses to enhance their efficiency, encourages innovation, and facilitates effective allocation of resources, thereby contributing to sustained economic growth. This benefits consumers who get to enjoy a wider range of higher quality goods and services. Consumer protection laws ensure that consumers are given the right to seek redress against suppliers who engage in unfair business practices. Together, these laws aim to cultivate an economy where informed and empowered consumers thrive, and where quality and innovation prevail.

As we progress into FY2024, we reflect on our achievements and reaffirm our mission to create opportunities and choices for businesses and consumers in Singapore.

KEY ACHIEVEMENTS

Over the past year, CCCS has made progress in enforcing both the Competition Act 2004 and the Consumer Protection (Fair Trading) Act 2003 ("CPFTA"). These legislative frameworks are vital for upholding a fair market, where businesses compete fairly and consumers are safeguarded from unfair practices.

CCCS completed 55 cases, addressing various issues to uphold fair competition and consumer rights. The Competition Appeal Board ("CAB") dismissed an appeal by CU Water Services Pte. Ltd., against the financial penalty imposed by CCCS for bid-rigging conduct. The appeal outcome reinforces CCCS's Infringement Decision and reaffirms our firm stance against cartel agreements, which are among the most egregious forms of anti-competitive behaviour. Tackling cartel agreements will remain our primary objective as they are the most serious infringement of competition law,



MR MAX LOH KHUM WHAI
Chairman

and they undermine the principles of free competition and distort the competitive process, which result in higher prices and lower quality of goods and services for consumers.

Another area of focus for CCCS was sustainability. CCCS undertook various initiatives to address issues arising from the intersection between competition law and achieving sustainability-related objectives. To achieve Singapore's sustainability objectives under the Singapore Green Plan 2030, CCCS acknowledges that businesses, including competitors, may need to engage in collaborations either in circumstances where it may not be independently possible to conduct the activity or in order to achieve efficiencies. To assist businesses in pursuing sustainability-related collaborations while ensuring that competition among businesses is not compromised, the Environmental Sustainability

Collaboration Guidance Note ("ESCGN") was developed. The ESCGN was widely distributed to businesses through Trade Associations and outlines CCCS's approach to evaluating partnerships within the framework of the Competition Act. It also provides examples of collaborations that typically will not raise competition concerns and offers guidance on mitigating potential competition issues. Apart from encouraging businesses to conduct self-assessments using the ESCGN, CCCS has also put in place a simplified notification process for businesses that wish to seek legal clarity.

Additionally, CCCS awarded a grant to researchers from the National University of Singapore Business School's Centre for Governance and Sustainability to examine greenwashing on e-commerce websites. The research highlighted challenges that consumers face in deciphering vague and unclear claims which could be deceptive or misleading. In collaboration with the Consumers Association of Singapore ("CASE"), CCCS developed a set of practical tips to assist consumers in better understanding and evaluating environmental claims thus enabling them to make more informed purchasing decisions.

STRENGTHENING RESOURCES

Recognising that our employees are our greatest asset, we supported staff development through various training opportunities. This includes external attachment programmes at both public and private entities, including Ernst & Young and the Australian Competition & Consumer Commission. We have also facilitated staff participation in local and international conferences where CCCS officers can learn from best practices. Such initiatives aim to elevate the expertise and capabilities of our staff, ensuring that they develop professionally in their respective areas.

SUPPORTING SINGAPORE'S GROWTH

We are dedicated to bolstering Singapore's economic advancement and ensuring that the resulting benefits reach consumers. CCCS's work is extensive and varied, but our priorities continue to be shaped by the prevailing challenges facing our economy and people, and the positive impact brought about by our interventions. In addition to enforcement, we use a myriad of other mechanisms, including the use of commitments to approve agreements that generate net economic benefits for the economy, conducting market studies to look into markets exhibiting signs of market distortions and significant price surges, and fostering deeper industry collaborations to gain deeper insights into prevalent competition or consumer

protection issues that may impede their progress. We will continue to work closely with our stakeholders as we strive towards our vision of a vibrant Singapore economy with well-functioning and innovative markets.

ACKNOWLEDGEMENTS

I extend my deepest appreciation to Ms Sia Aik Kor, who stepped down as Chief Executive and Board Member on 31 March 2024. Her leadership and contributions have been invaluable, and we wish her all the best in her future endeavours. On behalf of the Board, I warmly welcome Mr Alvin Koh, who assumed the position of Chief Executive on 1 April 2024. I am confident that under his leadership, CCCS will reach new heights and continue to elevate our international profile.

I also express my gratitude to the management team, staff of CCCS, partners, and stakeholders for their unwavering dedication and support. Together, we will continue to champion fair markets and empower consumers, ensuring well-functioning, transparent and fair markets that create opportunities and choices for businesses and consumers in Singapore.

CHIEF EXECUTIVE'S MESSAGE

I am happy to return to CCCS as Chief Executive, leading an organisation with a key role in ensuring competition and safeguarding consumer interests. Competition regulators globally, have in recent years, been contending with significant structural changes, including the evolving geopolitical landscape, rapid disruptions from emerging technologies such as artificial intelligence, and the global push for climate change action and sustainability. These trends underscore the need for CCCS to maintain a vigilant oversight over our markets.

CCCS strives to make timely and effective interventions to ensure markets work well, so that businesses are spurred to be more efficient, innovative and responsive to consumer needs. This, in turn, will yield substantial productivity gains for the Singapore economy in the long run. My team will stay grounded in our mission to make markets work well to create opportunities and choices for businesses and consumers in Singapore.

ANTI-COMPETITIVE PRACTICES

CCCS takes action to stop and prevent anti-competitive practices that reduce the level of competition, which in turn leads to higher prices, lower quality and levels of innovation. Our enforcement priorities continue to be on anti-competitive agreements such as price fixing, bid-rigging, market sharing and production control, as well as conduct by businesses which amount to an abuse of dominance.

In FY2023, CCCS conducted various enforcement activities aimed at preserving the integrity of competitive markets. In particular, significant enforcement efforts were focused on investigating potential anti-competitive behaviour in the building construction sector where unannounced inspections to companies were carried out. These inspections were initiated to identify and address potential infringements of section 34 of the Competition Act, which prohibits agreements or concerted practices that prevent,



MR ALVIN KOH

Chief Executive
wef 1 April 2024

restrict, or distort competition in Singapore. We will continue to tap on our leniency and whistle-blower programmes, while also exploring new methods, including the use of algorithms to generate leads.

MERGER CONTROL

In FY2023, CCCS reviewed and approved five merger notifications across sectors such as healthcare, transport, manufacturing and retail energy. Competition concerns were raised on the proposed acquisition by Grab Holdings Limited of Trans-cab Holdings Ltd. CCCS carried out a Phase 1 review and found concerns that the acquisition may raise barriers to expansion and entry for rival ride-hail platforms. As these concerns could not be adequately addressed through commitments offered by the parties, CCCS commenced a more in-depth Phase 2 review of the proposed acquisition.

In March 2024, CCCS granted conditional approval for the merger involving Singapore Airlines, Air India, and Vistara Airlines after accepting their commitments to address the competition concerns raised by CCCS. Additionally, in response to the potential acquisition of Delivery Hero's Foodpanda business by Grab in Southeast Asia, CCCS issued Interim Measures Directions ("IMDs") to ensure that the market remained open and contestable until the completion of CCCS's investigation. The IMDs ceased to be in effect from 23 February 2024 after CCCS was informed that the possible acquisition had been abandoned.

Looking ahead, CCCS anticipates a continual upward trend in mergers and collaborations as industries and business push for consolidations for greater efficiencies. While CCCS operates under a voluntary merger regime, we remain vigilant and carry out regular surveillance to find unnotified mergers and determine if they substantially lessen competition.

CONSUMER PROTECTION

In the past year, CCCS completed three investigations that led to undertakings from companies in the beauty sector as well as the water filtration systems industry to cease unfair practices, such as false and misleading claims. CCCS is committed to ensuring that consumers have access to accurate information and are not misled by deceptive marketing tactics.

DIGITALISATION INITIATIVES

To address increasingly complex issues involving advanced digital technologies, CCCS established a new Data & Digital ("D2") Division in 2023. D2 is tasked with building the technical knowledge and tools necessary to tackle challenges in the digital landscape, as well as keep abreast of developments relating to digital markets.

Additionally, CCCS launched our Complaint Management System ("CCMS") to streamline the process of logging, collecting and analysing complaints from members of public, ensuring efficient and effective management within a single application.

WORKING WITH OUR STAKEHOLDERS

Engaging stakeholders is essential to CCCS's mission of championing fair markets and empowering consumers. In 2023, CCCS conducted a campaign for the beauty and wellness sector targeted at consumers and beauty businesses. These initiatives help raise awareness about CCCS's work and educate stakeholders on their rights and responsibilities. We are now developing a comprehensive guide for businesses to clarify what constitute as unfair trade practices under the Consumer Protection (Fair Trading) Act 2003 ("CPFTA").

CCCS, with the support of the National Environment Agency, conducted a market study on the funeral services industry in Singapore to better understand

the competition landscape. To help consumers make informed decisions, CCCS developed and distributed a checklist to encourage consumers to pre-plan funeral arrangements and ask the right questions when consulting a funeral service provider.

CCCS continued to connect with diverse audiences and share insights on competition and consumer protection through participation in events such as the 26th Annual SME Conference & Infocomm Commerce Conference & Expo 2023 and engagement with the Public Service Retirees' Network.

Competition advocacy remains an important means for CCCS to address potential competition issues at an early stage of policy formulation. In FY2023, CCCS concluded 25 competition advisories for numerous government agencies. These advisories encompassed a significant number of initiatives such as industry collaboration or consolidation and publication of prices.

POSITIONING OURSELVES INTERNATIONALLY

In FY2023, CCCS actively engaged with regional and international competition and consumer protection platforms to share best practices and stay updated on the latest developments.

As co-chair of the Agency Effectiveness Working Group at the International Competition Network, CCCS led the project on "Planning, Monitoring and Measuring Effectiveness". On 5 June 2023, CCCS was formally accorded membership at the International Consumer Protection and Enforcement Network, highlighting our dedication to engage our overseas counterparts, and to foster mutual learning and cooperation in consumer protection.

CCCS was also involved in negotiating several agreements, including the ASEAN Framework on Competition, ASEAN-China Free Trade Agreement, Indo-Pacific Economic Framework for Prosperity, as well as the ASEAN-Canada Free Trade Agreement for which CCCS is currently chairing negotiations for the competition chapter.

CCCS@20

As CCCS approaches its 20th anniversary in 2025, we stand at crossroads reflecting on two decades of steadfast administration and enforcement of the Competition Act and the CPFTA.

As CCCS moves forward, we face the future with renewed commitment to be an efficient enforcer while embracing the core values of integrity, professionalism, passion and teamwork. I look forward to working closely with staff and our stakeholders to deliver positive, prompt and impactful outcomes that matter to our people, businesses and economy. Together, we will forge stronger partnerships to build a more resilient future with competitive markets and well informed, engaged stakeholders.

COMMISSION MEMBERS



Chairman

MR MAX LOH KHUM WHAI

(Chairman of Human Resource Committee & Investment Evaluation Committee)

Chartered Accountant
Retired Managing Partner,
ASEAN & Singapore
Ernst & Young



Member

MS JASMMINE WONG

(Member of Investment Evaluation Committee)

Vice President, Mobility
Abdul Latif Jameel
International DM



Member

MS CHANDRA MALLIKA

(Member of Audit Committee)

**Group Chief Operating Officer,
Asia Pacific & Middle East Africa (MEA)**
Chief Country Officer, Singapore
Chief Executive Officer,
Developed Asia
Deutsche Bank



Member

MR ANG CHENG HOCK, S.C.

Deputy Attorney-General
Attorney-General's Chambers



Member
wef 1 April 2024

MR ALVIN KOH

(Member of Human Resource Committee & Investment Evaluation Committee)

Chief Executive
Competition and Consumer
Commission of Singapore



Member

MS KOH PUAY ENG AGNES

(Chairman of Audit Committee)

Chief Risk Officer
Singapore Exchange



Member

DR FAIZAL BIN YAHYA

Senior Research Fellow
Institute of Policy Studies
National University of Singapore



Member

MS AURILL KAM

Director
Legal Clinic LLC



Member

ASSOCIATE PROF WALTER EDGAR THESEIRA

**Associate Professor of
Economics, School of Business**
Singapore University of Social Sciences



Member

MS CINDY KHOO

(Member of Human Resource Committee)

Managing Director
Enterprise SG



Member

MS LOO SIEW YEE

(Member of Human Resource Committee)

Assistant Managing Director
Policy, Payments & Financial Crime
Monetary Authority of Singapore

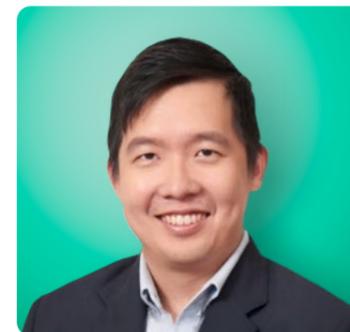


Member

MR JASPAL SINGH

(Member of Audit Committee)

High Commissioner
(Non-Resident) to the Republic
of Rwanda



Member

MR LIU FENG-YUAN

**Chief Digital and
Information Officer**
RGE Pte Ltd



Member
until 31 March 2024

MS SIA AIK KOR

Chief Executive
Competition and Consumer
Commission of Singapore

SENIOR MANAGEMENT

1

MS CINDY CHANG

Director
Legal

wef 1 April 2024

2

MS SERENE SEET

Director
Enforcement

3

MR HERBERT FUNG

Senior Director
Data & Digital

4

MS NG EE KIA

Assistant Chief Executive
Economics, Policy & Data

5

DR TAN HI LIN

Senior Director
Policy & Markets

6

MR NG MING JIE

Director
Consumer Protection
wef 1 April 2024

7

MS YVETTE YOONG

Director
International,
Communications & Planning
wef 1 April 2024

8

MR KONG WENG LOONG

Director
Business & Economics
wef 1 April 2024

9

MS WINNIE CHING

Group Director
Legal and Enforcement
wef 1 April 2024

10

MR LOKE SHIU MENG

Assistant Chief Executive
Legal, Enforcement &
Consumer Protection

11

MR ALVIN KOH

Chief Executive
wef 1 April 2024

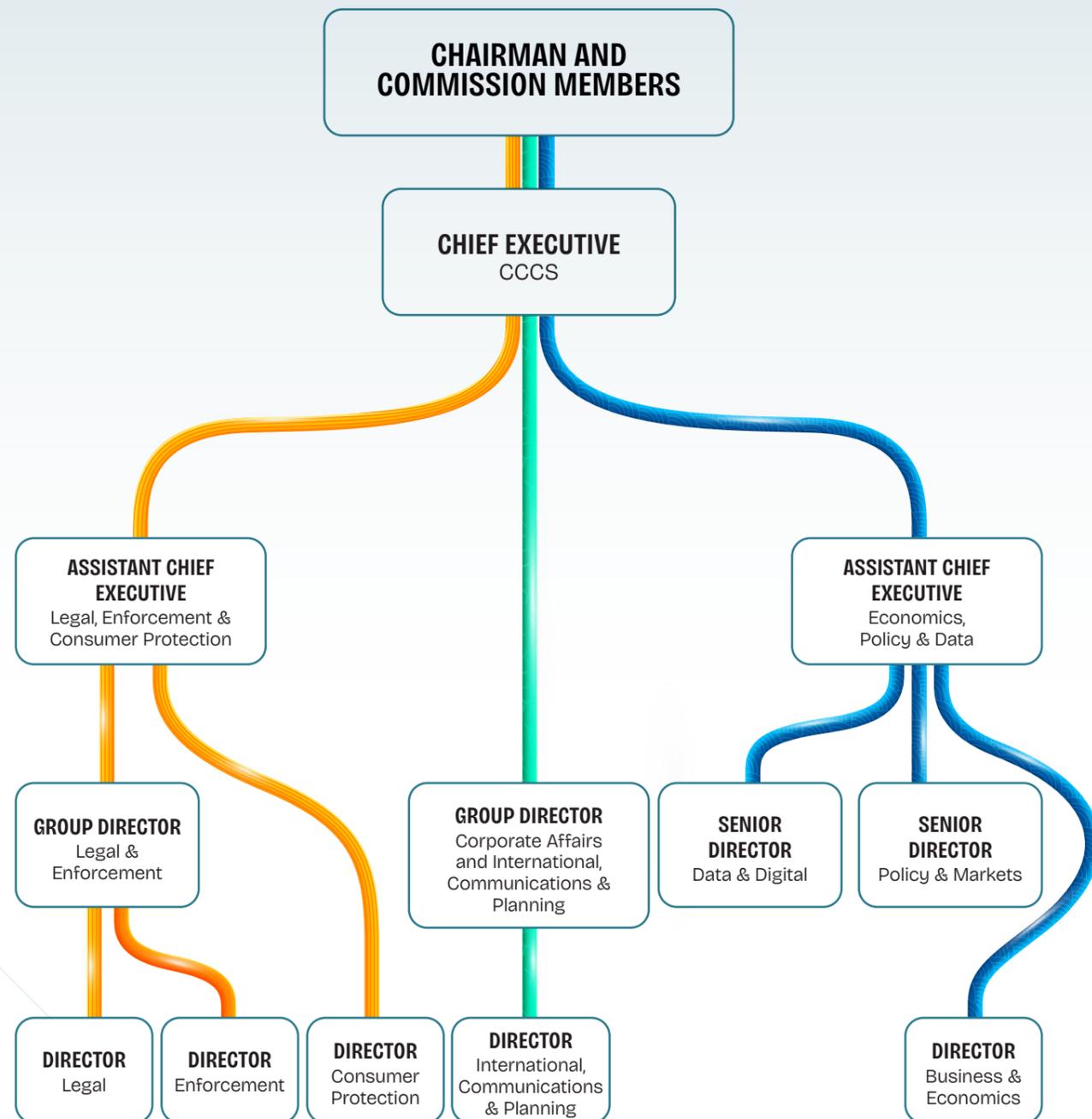
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MR TEO WEE GUAN

Group Director
Corporate Affairs and
International,
Communications & Planning



CCCS ORGANISATION STRUCTURE



CORPORATE GOVERNANCE

CHAIRMAN & COMMISSION MEMBERS

The Commission oversees the core work of CCCS. It comprises the Chairman and 12 Commission Members. Appointed by the Minister for Trade and Industry, the Chairman and the Commission Members bring with them a diverse range of expertise in various fields covering the legal, economic, financial, business and technology domains from both the public and private sectors. The non-executive Commission Members are remunerated based on Public Service Division guidelines.

BUSINESS & ETHICAL CONDUCT

All CCCS officers are subject to the provisions of the Official Secrets Act 1935, the Statutory Bodies and Government Companies (Protection of Secrecy) Act 1983 and the Public Sector (Governance) Act 2018. In addition, the Competition Act 2004 contains provisions governing the disclosure of information by CCCS officers. CCCS officers are also bound by CCCS's Code of Conduct and are obliged to adhere to internal policies to avoid conflicts of interest.

HUMAN RESOURCE ("HR") COMMITTEE

The HR Committee was set up in August 2007 and is currently chaired by CCCS Chairman, Mr Max Loh Khum Whai with Ms Loo Siew Yee, Ms Cindy Khoo and Mr Alvin Koh as its members. The Committee is tasked with supporting the Commission in reviewing CCCS's strategic HR directions, including performance appraisal and promotion of senior officers, talent strategies for attraction, retention and succession planning, as well as reviewing staff compensation levels to ensure market competitiveness.

AUDIT COMMITTEE

The Audit Committee is currently chaired by Ms Koh Puay Eng Agnes with Ms Chandra Mallika and Mr Jaspal Singh as its members. The purpose of the Committee is to assist the Commission in areas relating to audit, finance and accounting, regulatory compliance, and risk management. In addition, the Committee reviews the audited annual financial statements and the adequacy of CCCS's internal controls with the management, external auditors and internal auditors.

EXTERNAL AUDIT FUNCTIONS

KLP LLP was appointed by the Minister for Trade and Industry in consultation with the Auditor-General to audit the accounts of CCCS for FY2023. The audited accounts were duly approved by the Commission and the Minister for Trade and Industry, with the Auditor-General kept informed of the audited accounts.

OVERVIEW OF COMPLETED CASES

OVERVIEW OF COMPLETED CASES

Competition	FY2023	FY2022	FY2021	Since CCCS started (1 January 2005)
Preliminary Enquiries	8	4	4	162
Investigations (excluding Leniency)	0	1	1	54
Notification for Guidance or Decision	1	3	0	37
Merger Notifications (Phase 1)	5	9	10	105
Merger Notifications (Phase 2)	0	0	1	12
Confidential Advice	1	2	1	23
Leniency	1	3	0	37
Appeals	1	0	0	13
Competition Advisories	25	35	31	322
Market Studies	6	2	0	36
Total	48	59	48	801

Consumer Protection	FY2023	FY2022	FY2021	Since 9 December 2016
Preliminary Enquiries	3	3	4	50
Investigations	3	1	4	23
Appeals	1	0	0	1
Government Advisories	0	0	0	1
Total	7	4	8	75

COMPLETED MERGERS BY INDUSTRY

 HEALTHCARE	1
 TRANSPORT <small>(Competition concerns raised)</small>	1
 MANUFACTURING	2
 RETAIL ENERGY	1



**NUMBER OF COMPLAINTS/
QUERIES HANDLED**

1000+

FY2023

INFRINGEMENT DECISIONS TO DATE

To date, CCCS has issued 19 infringement decisions and imposed financial penalties of over S\$86.3 million for anti-competitive conduct.

FY	Infringement Decision Case	Prohibition	Financial Penalty Imposed
2007	Pest Control Operators	Section 34	\$262,760
2009	Express Bus Services	Section 34	\$1,699,133
2010	Ticketing Service Provider	Section 47	\$989,000
2010	Electrical Works	Section 34	\$187,593
2011	Maid Agencies	Section 34	\$152,563
2011	Modelling Agencies	Section 34	\$361,596
2012	Motor Traders	Section 34	\$179,071
2012	Ferry Operators	Section 34	\$286,766
2014	Ball Bearing Manufacturers	Section 34	\$9,306,977
2014	Freight Forwarders	Section 34	\$7,150,852
2015	Financial Advisors	Section 34	\$909,302
2017	Electrical and Asset Tagging Services	Section 34	\$626,118
2017	Capacitor Manufacturers	Section 34	\$19,552,464
2018	Fresh Chicken Distributors	Section 34	\$26,948,639
2018	Ride-hailing Firms	Section 54	\$13,001,702
2018	Hotels	Section 34	\$1,522,354
2020	Building, Construction and Maintenance Services	Section 34	\$32,098
2020	Maintenance Services for Swimming Pools and Water Features	Section 34	\$419,014
2022	Warehouse Operators	Section 34	\$2,799,138 [^]

[^]Appeal is on-going

MAKING MARKETS WORK WELL

CCCS enforces the competition and consumer protection laws to ensure businesses compete on a level playing field and to protect consumers' interests.

SALON ONE WARNED BY CCCS FOR MAKING FALSE HEALTH CLAIMS AND PRESSURE SALES TACTICS

CCCS found that Salon One Beauty Salon Pte. Ltd. and seven other related entities ("Salon One Entities") engaged in one or more unfair practices under the Consumer Protection (Fair Trading) Act 2023 ("CPFTA") between October 2017 and August 2022. These included false representations of price discounts and unsubstantiated health claims, such as, their "Herbal Head Spa" treatment could prevent medical conditions such as Alzheimer's disease, brain stroke, cerebral infarction, cerebral thrombosis and cerebral haemorrhage, as well as enhance memory. Such health claims were also made to certain consumers who were not able to reasonably ascertain if the claimed efficacy and health benefits of the treatments existed.

CCCS's investigations also found that some of the Salon One Entities had engaged in persistent sales talks which caused customers to be pressured to make a purchase, even though they had already declined or expressed no interest to buy.

Following intervention by CCCS, the Salon One Entities took active steps to change their business practices to comply with the CPFTA.

The Salon One Entities also gave an undertaking to CCCS, which amongst other things, agree that they will:

Stop engaging in the identified unfair practices;

Not make any unsubstantiated claims regarding their treatments and products;

Take all reasonable steps to make sure that their staff do not exert undue pressure on consumers to make purchases;

Provide consumers with a 5-day cooling-off period in their contracts, invoices and receipts, allowing consumers to cancel transactions and ensure this term is acknowledged by consumers;

Implement an internal compliance policy to make sure that their marketing materials and practices comply with the CPFTA; and

Ensure their staff undergo training on unfair practices under the CPFTA and maintain records of the training undergone by each staff.

The undertakings were accepted by CCCS, and a warning was issued to the Salon One Entities.



Salon One beauty chain warned for making false claims

Anjali Raguraman
Correspondent

A beauty salon chain that made false claims about price savings on its services and health benefits from treatments – such as a head spa allegedly being able to prevent Alzheimer’s disease – has been issued a warning.

Salon One has also been ordered to remove such promotional materials from its premises, following persistent complaints from consumers.

Besides the unsubstantiated claims, some outlets were also found to have engaged in pressure sales tactics.

The Competition and Consumer Commission of Singapore (CCCS) said on Thursday the chain engaged in unfair practices between October 2017 and August 2022.

A total of 95 complaints were made to the Consumers Association of Singapore (Case) against Salon One during this period.

The chain has eight outlets islandwide in heartland areas including Ang Mo Kio, Bukit Panjang, Clementi, Pasir Ris and Tampines. It provides services such as hair treatments and facials.

CCCS said the chain made unsubstantiated representations on its treatments, such as a herbal head spa that it claimed was able to prevent Alzheimer’s disease, brain stroke, cerebral infarction, cerebral thrombosis and cerebral haemorrhage, as well as enhance memory.

Such representations were also made to certain consumers who were not able to reasonably ascertain if the claimed efficacy and health benefits of the treatments existed,” said CCCS, which engaged a medical expert to verify the efficacy of the claims.

Two outlets in Bukit Batok and Marine Parade were found to have made false claims on price savings, representing them as bigger than they actually were.

The outlets also had banners outside their premises claiming discounted prices for certain services



Salon One’s Ang Mo Kio outlet. Some of its outlets were also found to be pressuring consumers into purchasing services and products. PHOTO: CCCS

– such as eyebrow embroidery – were available for a limited period as part of an “opening promotion” at a trial price of \$39.

During investigations, CCCS found these banners had been on display at the outlets long after the opening dates in 2020 – till at least Nov 1, 2021.

“The representations led consumers to believe that discounted prices were only available for a limited period of time, which created a false sense of urgency,” said CCCS.

Some outlets were also found to be pressuring consumers into purchasing services and products.

Following intervention from CCCS, Salon One promptly took corrective action to stop its unfair practices in compliance with the Consumer Protection (Fair Trading) Act (CPFTA), and agreed to not commit them any further, the competition watchdog said.

The corrective action includes removing all false or misleading claims in their marketing materials relating to price benefits, promotions and the efficacy of certain treatments in preventing medical conditions.

Salon One has also given an undertaking to CCCS that its employees will not exert undue pressure on consumers to buy services or products; and that it will include a five-day cooling-off period term in its contracts, invoices and receipts for services or products, which allows consumers to cancel their transactions, among other commitments.

CCCS said it has accepted the undertaking and issued a warning to Salon One “after considering the facts of the case and the steps taken by the Salon One entities to address CCCS’ concerns”.

The competition watchdog also worked with Case to resolve complaints and help affected consumers to get compensation.

Both CCCS chief executive Sia Aik Kor and Case president Melvin Yong noted that the beauty industry has consistently had a high rate of consumer complaints.

Mr Yong called on the Government to mandate a cooling-off period for the beauty industry’s packages, in the way that it is done for purchases in certain industries such as insurance and direct sales.

“A mandatory cooling-off period will give consumers sufficient time to consider their purchase. If they do not wish to proceed with their beauty packages, they have the right to cancel and obtain a refund,” he added.

Consumers who encounter unfair practices can approach Case for assistance via www.case.org.sg or 9795-8397.

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anjali@sph.com.sg

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✓

BUSINESS SHOULD

📄

Provide clear and accurate information on prices, discounts and promotions to customers before providing the product or service.

%

Ensure any discount or price benefit offered is genuine.

🛡️

Ensure all product and service claims are accurate and verifiable.

✗

BUSINESS SHOULD NOT

👉

Pressure customers into purchases.

🧐

Promote products or services in ways that confuse consumers or prevent them from making informed decisions.

🚫

Make unsubstantiated claims or guarantees about the results or effects of their products or services.

💡

QUICK TIPS

- ✓

Be wary of exaggerated, dubious or unsubstantiated claims.
- ✓

Be wary of claims or offers that seem too good to be true.
- ✓

Enquire and research products/services before a purchase.
- ✓

It’s OK to stop a sales pitch and just say “NO” if you are not interested.
- ✓

Be aware of what is included and not included in the sales agreement and package before purchase.

HIGH COURT DISMISSES APPEALS BY NAIL PALACE

TIMELINE OF EVENTS

17 December 2021

Nail Palace (“BPP”) Pte Ltd and Nail Palace (“SM”) Pte Ltd (“NP BPP” and “NP SM”) operate Nail Palace branches at Bukit Panjang Plaza and Simei East Point Mall respectively. CCCS took action against the Nail Palace entities over unfair practices involving the supply of anti-fungal treatment packages to consumers.

CCCS commenced separate legal proceedings in the State Courts seeking declarations and injunctions against NP BPP and NP SM for having engaged in unfair practices under the Consumer Protection (Fair Trading) Act 2003 (“CPFTA”).

CCCS’s investigations revealed NP BPP and NP SM had each made false or misleading representations to a consumer on the need for an anti-fungal treatment package. NP SM had also misled a consumer into taking several lipsticks and lip balms on the basis that they were complimentary as part of the anti-fungal treatment package, when the consumer was in fact charged for them.

8 August 2022 and 2 September 2022

A District Court issued several orders against NP BPP and NP SM.

The orders declared that NP BPP and NP SM had engaged in misleading representation on the need for fungal treatment or a fungal treatment package to a consumer and had misled a consumer by failing to disclose the inclusion of certain lipsticks and lip balms in the price of a fungal treatment package.

Injunctions were issued to restrain NP BPP and NP SM from continuing these unfair practices.

Accompanying orders required NP BPP and NP SM to publish details of the declarations and injunctions in major newspapers across Singapore (“Publication Orders”) and were to inform and obtain the written acknowledgement of prospective customers of the declarations and injunctions before entering into any contracts with them (“Consumer Notification & Consent Orders”). NP BPP and NP SM are also required to notify CCCS of any changes to their business structures.

14 September 2022

NP BPP and NP SM appealed to the High Court against the Publication Orders and the Consumer Notification & Consent Orders granted by the District Court.

28 July 2023

The High Court dismissed the appeals by NP BPP and NP SM against the accompanying orders granted by the District Court. They must comply with the orders with immediate effect.

误导顾客签配套须登报公告庭令 两美甲店上诉被高庭驳回

■ 王奕慧 报道
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连锁美甲公司Nail Palace旗下两家分店因误导顾客签下真菌护理配套，被法庭下令停止不公平交易，也须登报作出声明和公告庭令。业者不服判决提出上诉，但被高庭驳回。

Nail Palace成立于2002年，全国共有28家店，提供美甲和足部护理等服务。涉及不公平交易的是位于东福坊和武吉班让大厦的分店。

两家分店的职员误导顾客签下真菌护理配套，以及让顾客误以为从店内取得的口红是免费的，促使新加坡竞争与消费者委员会在2021年12月入禀法院申请禁制令，获得法官批准。

法官下令两家美甲店停止不公平交易，也须自费在报章刊登全版通告，阐明相关声明和禁制令，同时须先让顾客知道有关庭令和声明，并在取得顾客的同意书后，才能让顾客签配套。

两家分店不满裁决，针对刊登通告和告知顾客有关庭令和声明的部分提出上诉。

不过，高庭法官星期五（7月28日）驳回上诉，维持原判，并下令两家分店须即日起遵守庭令，为期两年。

两名女顾客先后于2019年和2020年光顾这两家分店，职员都称她们的脚趾甲

受真菌感染，误导她们分别签下1677元和1万多元的真菌护理配套。

根据公司的标准作业程序，职员必须使用仪器为顾客进行测试，才能确认是否受真菌感染，但职员当时并没有这么做，只凭肉眼就直指顾客受真菌感染。

其中一名顾客申诉，职员称她的脚趾甲受到感染，须进行真菌护理，否则其他脚趾甲也会受感染，因此她签下配套。

她后来要求退款时，职员却用其他顾客受感染的脚趾照片，坚称那是她的脚趾。顾客到诊所咨询后，证实自己的脚趾甲根本没有受感染。

另一名顾客不仅被误导签了上万元真菌护理配套，还发现职员称的“免费”口红和护唇膏，被加在配套的费用中。

高庭：庭令是必要的且须起到惩罚阻吓作用

两家分行声称，事发后已没有接到任何与误导顾客签配套有关的投诉，法院下达禁制令已足以达到作用，没必要再刊登通告和在顾客签配套前告知相关庭令，这会对公司生意造成很大的影响。

不过，高庭法官认为，以公众利益作为考量，这些庭令都是必要的，而且发出庭令的目的不只是防止未来可能造成的伤害，也要传达法院反对不公平交易的立场，以及须起到惩罚和阻吓的作用。



Nail Palace旗下两家分店因误导顾客签配套而被发出禁制令，业者之后上诉被驳回，7月28日起得遵守庭令，停止不公平交易，也须登报作出声明和公告庭令。图为武吉班让的分店。（取自Nail Palace网站）

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COMPETITION APPEAL BOARD DISMISSES APPEAL BY WATER FEATURE MAINTENANCE COMPANY

On 21 November 2023, the Competition Appeal Board (“CAB”) published its decision dismissing the appeal by CU Water Services Pte. Ltd. (“CU Water”) against the penalty of \$308,680 imposed by the CCCS for CU Water’s bid-rigging conduct which spanned close to a decade.

MURKY WATERS: BACKGROUND AND INVESTIGATION

CCCS issued an infringement decision on 14 December 2020 where it found that CU Water engaged in 521 instances of bid-rigging in tenders for the provision of maintenance services for swimming pools, spas, fountains and water features. For nearly a decade, CU Water was involved in a collusion with two other companies – Crystalene Product (S) Pte. Ltd. (“Crystalene”) and Crystal Clear Contractor Pte. Ltd. (“Crystal Clear”). The infringing conduct affected at least 220 privately-owned properties in Singapore, including

condominiums and hotels. CCCS found that these companies had coordinated their bids to create a false appearance of competition. They had requested support quotations from one another, where the support quotation was intentionally priced higher to increase the requesting party’s chances of winning the tenders.

CCCS imposed the maximum allowable financial penalty on CU Water, which appealed against the penalty amount.

违反竞争法被罚近31万元 水景设施维修商上诉遭驳回

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水景设施维修商CU Water Services因操纵竞标价 (bid rigging)，违反竞争法面对近31万元最高罚款的上诉案，已被竞争上诉委员会 (Competition Appeal Board, 简称CAB) 驳回。

竞争上诉委员会认为，新加坡竞争与消费者委员会 (简称竞消委) 施于这家水景设施维修商的最高额罚款，是公正且适当的。这是考虑到CU Water Services违法的次数以及操纵竞标价行为的严重性等因素。

竞争上诉委员会是在星期二 (11月21日) 发布上述决定。委员会注意到，违反竞争的操纵竞标价行为对市场的危害，并特别肯定了竞消委改变政策的做法——对操纵竞标价和垄断集团活动这类严重违法行为施加更高额的罚

款。它警告说：“任何未来的上诉人，都必须证明竞消委罚款计算框架存在缺陷或运用错误，仅断言罚款过重不足够。”

提供当局违规行为资料 两家公司获免罚款较少

CU Water Services公司主要为酒店和共管公寓等项目的游泳池、水疗设施、喷泉等提供维修服务。它之前与另两家公司被竞

消委判串谋操纵投标价格违反竞争法，三公司共被罚41万9014元。其中，CU Water Services被罚30万8680元，Crystalene Product被罚4万1541元，Crystal Clear Contractor被罚6万8793元。它们想赢得竞标时，会要求另一家公司提出比自己更高或指定的报价。

竞消委做出判决时指出，CU Water与Crystalene在2008年8月13日至2017年5月29日期间，以及CU

Water与Crystal Clear在2011年8月20日至2017年6月16日期间，共涉521次串谋操纵投标价格行为，影响220名客户。

其中两家公司面对罚款较少，是因为在当局展开调查后，它们申请加入竞消委“宽免计划” (Leniency Programme)，向当局提供违规行为相关资料，换取从轻发落。

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STAYING AFLOAT IN COMPETITIVE WATERS

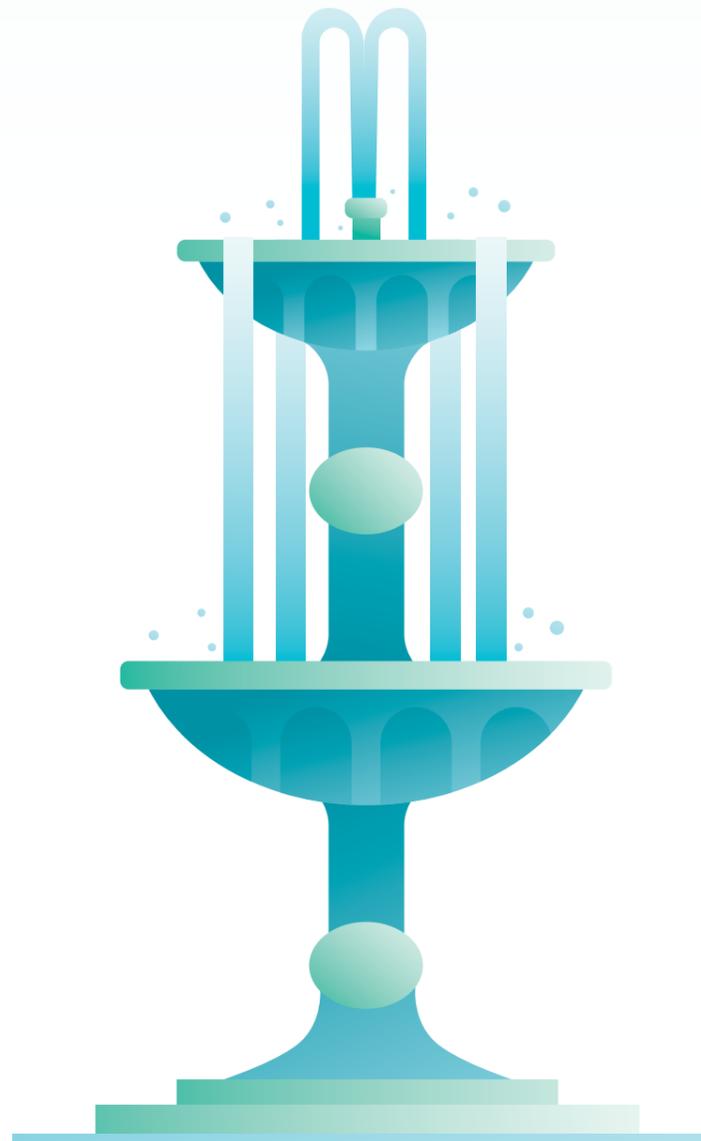
The CAB noted the following:

1. The anti-competitive harm that bid-rigging has on markets, which includes giving customers a false sense of competition in their procurement process and reducing the number of competitive bids received by the customers. The CAB concluded the maximum financial penalty imposed by CCCS was just and proportionate considering the number of infringements by CU Water and the seriousness of the bid-rigging conduct.
2. CCCS’s shift in policy since its earlier cases, to consider higher penalties for serious infringements such as bid-rigging and other cartel activity, aligns with Singapore’s maturing competition enforcement policy in view of increased market awareness of the anti-competitive harm of cartel activity.

“

Ms Sia Aik Kor, Chief Executive of CCCS, welcomed the CAB’s decision, stating,

“The CAB’s decision affirms CCCS’s penalty calculation framework as an objective basis to determine financial penalties that reflect CCCS’s twin objectives of punishment and deterrence. The CAB’s decision also reinforces CCCS’s firm stance against cartel agreements which are the most egregious types of anti-competitive agreements. Businesses should review their practices to avoid engaging in collusive conduct and ensure that they comply with competition law. CCCS will not hesitate to take appropriate enforcement action if there are reasonable grounds to suspect that an infringement has taken place.”



CCCS STOPS UNFAIR PRACTICES IN WATER FILTRATION SYSTEM INDUSTRY

CCCS found that Purexygen Pte. Ltd. ("Purexygen"), a supplier of water dispensers, alkaline water filtration systems and maintenance service packages, had engaged in various unfair practices between September 2021 and November 2023. Such practices include:

- (a) Making false claims that its water filters were tested by testing bodies in the sales kit used by its salespersons in their sales pitches to consumers;
- (b) Making misleading claims on the health benefits of alkaline or filtered water, including claims that such water can prevent health conditions such as osteoporosis, acid reflux, blood pressure conditions and diabetes;
- (c) Misrepresenting that its water faucet and water dispenser were free for a limited time when they were in fact provided to all customers free of charge at all times;
- (d) Misrepresenting to consumers in the terms and conditions of service agreements that sums paid for the activation fee and maintenance service package under direct sales contracts were non-refundable and omitted to inform consumers that they have a right to cancel*, and
- (e) Misleading a consumer by giving false excuses on its persistent delay in providing the consumer's purchased water filters.

FILTERING OUT UNFAIR PRACTICES

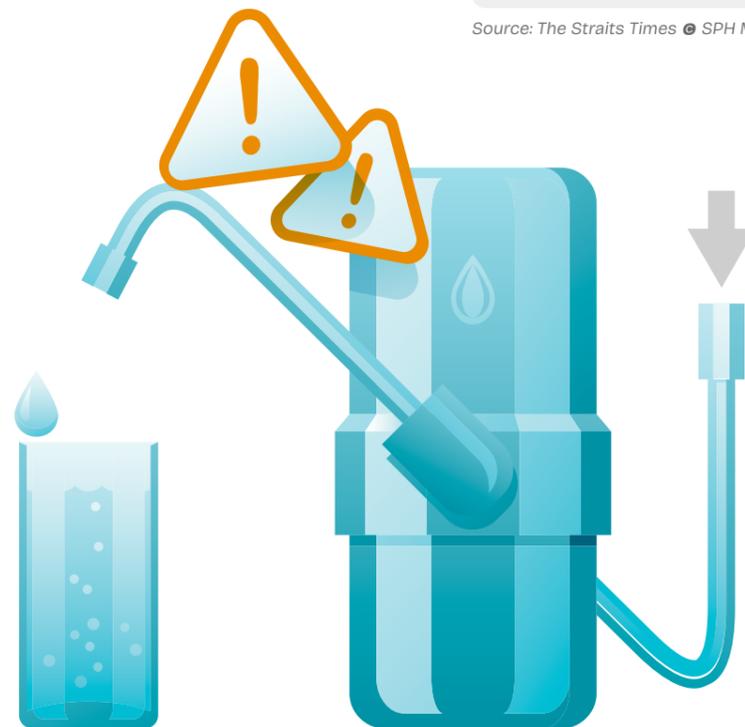
Following CCCS's investigation, Purexygen took active steps to rectify its business practices by removing false claims from its sales kits, unsubstantiated health claims from its website and social media pages, and misleading promotion listings on Carousell. Purexygen also delivered the outstanding sets of water filters to the consumer.

Purexygen gave an undertaking that it will stop engaging in unfair practices, including those identified in the investigation and pledged full cooperation with the Consumers Association of Singapore ("CASE") to resolve consumer complaints. Purexygen will put in place an internal

compliance policy to make sure marketing materials comply with the CPFTA, and ensure that its staff undergo training on conduct that would amount to an unfair practice under the CPFTA and maintain records of the training undergone by each staff.

Purexygen's directors, Mr Heng Wei Hwee and Mr Tan Tong Ming, have similarly given undertakings that Purexygen will not engage in the identified unfair practices.

CCCS has accepted these undertakings and issued warnings to Purexygen and its directors regarding the unfair practices.



CCCS continues to monitor the water filtration system industry and review the practices of various water filtration system suppliers regarding concerns with their marketing practices, in particular, relating to the accreditation, certification and health benefit claims found on their websites.

Water filtration firm, directors warned over unfair practices

These include Purexygen's misleading claims on health benefits of filtered water

Sarah Koh

Water filtration company Purexygen and its directors have been issued warnings by the Competition and Consumer Commission of Singapore (CCCS) for unfair practices

such as making misleading claims on the health benefits of filtered water. In a statement on March 21, the CCCS said it is reviewing the marketing practices, accreditation, certification, and health benefit claims made by water filtration

system suppliers, as part of its ongoing market monitoring of the industry. The commission investigated Purexygen - a company that supplies water dispensers, alkaline water filtration systems and maintenance system packages to consumers - under the Consumer Protection (Fair Trading) Act (CPFTA), and found that the company had engaged in unfair practices between September 2021 and

November 2023.

During this period, the company had made misleading claims on the health benefits of alkaline or filtered water on its website and social media pages, such as how they can help prevent osteoporosis, acid reflux, blood pressure conditions and diabetes.

The company had also said in its Carousell listings that its water tap and water dispenser were free for a limited time, even though both items are provided to all of Purexygen's customers for free at all times, and gave false excuses on its "persistent delay" in fulfilling a customer's order for the water filters bought.

The company also falsely claimed, in sales kits used for customer pitches, that its water filters had been tested by testing bodies, said CCCS.

The commission added that Purexygen had stated in its service agreements that the sums paid for the activation fee and maintenance service package under direct sales contracts were non-refundable,

but did not tell customers that they could legally cancel such contracts and be refunded.

Purexygen has changed its business practices after the investigation to comply with the CPFTA, including removing false claims from its sales kit, misleading listings on Carousell, misleading claims on the health benefits of alkaline and filtered water, and has delivered the water filters it owed to the customer.

The company has also pledged to stop engaging in unfair practices, cooperate fully with the Consumers Association of Singapore (CASE) to resolve complaints from consumers, create an internal policy to ensure all marketing materials comply with the CPFTA, and ensure that all its employees familiarise themselves with the types of unfair practice.

The company's directors, Mr Heng Wei Hwee and Mr Tan Tong Ming, have also pledged that Purexygen will not engage in further unfair practices.

"In closing the case, CCCS has accepted the undertakings of Purexygen and its directors, and also issued warnings to Purexygen and its directors regarding the unfair practices," said the commission.

"CCCS will take action if Purexygen or their directors breach the undertakings or engage in any other unfair practices."

CCCS chief executive Sia Aik Kor said that suppliers in the water filtration system industry are reminded to ensure that any claims made in marketing materials are clear, accurate and substantiated.

"Suppliers should also review their business practices from time to time to ensure that such practices do not amount to unfair practices," she added. "Under the CPFTA, CCCS can seek out court orders against errant suppliers who persist in unfair practices."

Customers who come across false or misleading claims can approach Case for help, said the commission.

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*Consumers have the right to cancel direct sales contracts under the Consumer Protection (Fair Trading) (Cancellation of Contracts) Regulations 2009, which would entitle them to a refund.

HAIR SALON CEASES FALSE AND MISLEADING CLAIMS FOLLOWING CCCS INVESTIGATION

Natural Salon Pte. Ltd. ("Natural Salon"), a salon located in Bukit Panjang, was found by CCCS to have engaged in multiple unfair practices between 16 May 2021 and 11 August 2021, which included the following:

- Demanding payment for unsolicited hair service packages, hairstyling and hair washing services where the salon had demanded payment of \$35 for unsolicited hair washing and scalp scanning services when the consumer had only asked for a haircut which cost \$2 or \$3. Natural Salon also demanded a payment of \$772 from a consumer for a haircut and hair wash service package despite initially stating the cost to be \$99 for only the haircut and hair wash;
- Falsely representing to customers, through a banner outside its storefront, a "member price" of a \$2 or \$3 haircut was a "new opening special" when the salon had operated for at least eight months; and
- Charging prices for haircuts or hair treatment packages that were substantially higher than the estimate provided to a consumer, without the consumer's prior consent to the higher price. Consumers were told that they were entitled to a \$2 or \$3 haircut but were not informed that this price was for members only. After performing the haircut, the salon charged them \$35 and to enjoy the member price, they had to first pay a fee of \$200.

CCCS ACCEPTED UNDERTAKING; ISSUED WARNING TO NATURAL SALON

To address CCCS's concerns, Natural Salon provided an undertaking that it will cease all unfair practices. The salon shall ensure that all relevant information, such as pricing, disclaimers and terms and conditions, are clearly and prominently listed in their advertising and marketing materials. A 5-day cooling-off period term will be included in their contracts, invoices and receipts that allows consumers to cancel transactions, and make sure this term is

acknowledged by consumers. In addition, Natural Salon will put in place an internal compliance policy to ensure that their marketing materials and practices comply with the Consumer Protection (Fair Trading) Act 2003 ("CPFTA") and make sure that their staff undergo training to familiarise themselves with conduct that would amount to an unfair practice under the CPFTA, as well as maintain records of such training.



CUTTING OUT UNFAIR PRACTICES

Consumers are not obliged to pay for unsolicited services. Consumers should be wary of any offers that seem too good to be true and should confirm the prices of services before they are performed to avoid subsequent disputes.



Natural Salon 99元配套收772元

发廊向竞消委承诺 停止不公平交易

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误导消费者称剪发洗发配套只需99元事后却要价772元,开张已至少8个月却依旧打出“新店开张特惠”的误导性广告,竞消委介入调查后,位于武吉班让的一家发廊承诺停止不公平交易行为。

根据新加坡竞争与消费者委员会(CCCS,简称竞消委)今早发出的文告,这家目前名为K发廊(K Salon)的美发院由Natural Salon运营,位于武吉班让万吉路第260座。

竞消委调查后发现,该发廊在2021年5月16日至2021年8月11日期间,采取以下三种不公平交易手段。

发廊曾要求消费者为剪发和洗发配套支付772元费用,尽管最初生成配套服务的价格为99元,发廊也在未经同意的前提下,向顾客索求35元的洗发和头皮检查费用,而实际上顾客只要求价值2元或3元的理发服务。

这家发廊也在至少开张8个月的前提下,在店前的招牌上打出误导性广告,称“新开张特惠”剪发只



曾有顾客被K发廊单方面转走4000元签下配套。(档案示范照)

需2元或3元。此外,发廊在提供相应服务前,未能说明2元或3元是会员价格,而为了成为会员顾客得先额外花费200元。

发廊后来积极配合作出调整,拿下误导性的广告,并全数赔偿上述因不公平交易而受影响的顾客。Natural Salon也承诺停止不公平交易,确保顾客在决定消费前能获取所有相关信息,以及在其合同,发票或收据中允许消费者有5天冷静期,可以取消交易,并确保消费者对此条例知情。



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AVIATION EQUIPMENT MERGER CLEARED

CCCS has cleared the proposed acquisition of the aviation equipment business (the "Target Business") of Yokogawa Electric Corporation ("YE") and its subsidiaries, Yokogawa Manufacturing Corporation and Yokogawa Electric Asia Pte. Ltd. ("YEA"), by Oki Electric Co, Ltd. ("Oki").

Oki is a Japanese information and communications technology company that operates globally across various business segments. In Singapore, Oki operates through Oki Data (Singapore) Pte. Ltd., supporting distributors in Southeast Asia with Oki's printers and spare parts.

YE provides advanced technologies and services in measurement, control and information to customers worldwide. In Singapore, YE's subsidiaries form Yokogawa Singapore, serving as the global manufacturing centre, global engineering centre and regional headquarters.



The Target Business focuses on developing flat panel displays with Thales Avionics and manufacturing other aviation equipment. In Singapore, it is involved in manufacturing flat panel displays for commercial aircraft cockpit systems ("Flat Panel Displays").

In its assessment, CCCS noted that Oki, through a subsidiary, supplies multilayer rigid circuit boards ("MRCBs") to YEA in Singapore for the Target Business. CCCS considers the upstream market for the global supply of MRCBs and the downstream market for the global supply of Flat Panel Displays as relevant markets.

CCCS concluded that the proposed acquisition is unlikely to cause a substantial lessening of competition in the relevant markets. Oki is not a major supplier in the upstream market and does not currently supply competitors of the Target Business in the downstream market, therefore likely to have the ability and incentive to foreclose the Target Business's competitors in the downstream market. Furthermore, MRCBs are generic products, used and procured by many industries. Despite Oki's significant market shares in the downstream market post-acquisition, its demand for MRCBs is unlikely to be large or significant enough for Oki to be considered a major customer of MRCBs suppliers. Coordination between competitors in either the upstream or downstream market is unlikely to arise as the number of existing players in each of these markets is unlikely to be reduced as a result of the merger.

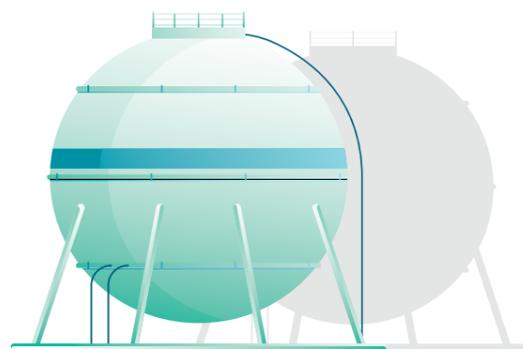
GAS COMPANIES MERGER MOVES AHEAD

CCCS has cleared the proposed acquisition of Tan Soon Huah Gas Supply Pte. Ltd.'s ("TSH") liquefied petroleum gas ("LPG") business by City Energy Pte. Ltd. ("City Energy"). City Energy is the sole producer and retailer of town gas to residential, commercial, and industrial customers in Singapore and also retails natural gas to industrial customers in Singapore through its subsidiary City-OG Gas Energy Services Pte. Ltd.. TSH's key business is the retail sale of LPG cylinders to residential, commercial, and industrial customers in Singapore, and is not active in the town gas, natural gas and electricity business.

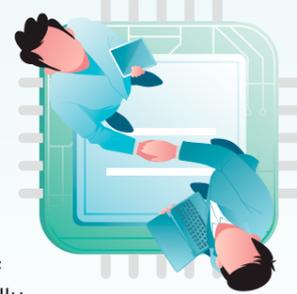
CCCS focused its competition assessment on markets for retail of LPG and town gas in Singapore to residential, commercial and industrial customers.

CCCS concluded that the merger is unlikely to substantially lessen competition in the relevant markets. The parties are not each other's closest competitors, and the merged entity will continue to face competition

from other LPG competitors of similar or larger size than TSH. Coordination between competitors is unlikely as the merger does not reduce the number of LPG retailers, which are the closest competitors to TSH. City Energy's price and supply terms are transparent to all retailers and customers and thus does not facilitate competitors to collude. Moreover, TSH and City Energy are unlikely to tie or bundle LPG and town gas as the different fuel types are not typically purchased in a bundle. Licence conditions also prevent City Energy's town gas business from unfairly using its town gas business to disadvantage competitors supplying other fuel types.



GREEN LIGHT FOR MERGER OF ELECTRONIC CHEMICALS BUSINESS



CCCS has cleared the proposed acquisition of CMC Materials KMG Corporation ("KMG") by FUJIFILM Holdings America Corporation ("Fujifilm"). Fujifilm's acquisition involves taking over the entire electronic chemicals business of Entegris, Inc., currently operated by KMG. Fujifilm will acquire 100% of the equity interests of KMG, which is fully owned by CMC Materials LLC, a subsidiary of Entegris, Inc.

Fujifilm is part of the FUJIFILM corporate group, a multinational conglomerate operating in a wide range of businesses which includes electronic materials, chemicals, electronic imaging, graphic arts and printing, industrial products, optical devices, recording media, imaging colourants, healthcare and pharmaceuticals.

KMG supplies high-purity process chemicals used principally to clean, etch and dry silicon wafers in the production of semiconductors, solar cells and flat panel displays in multiple stages of their manufacturing processes.

CCCS concluded that the merger is unlikely to lead to a substantial lessening of competition in the relevant markets in the supply of cleaning solutions used principally in the semiconductor manufacturing process on a global scale, a narrow nationwide scale as well as within narrow segments by molecular level.

CCCS found that the combined market share of the merged entity generally does not cross the indicative thresholds set by CCCS. Fujifilm and KMG are not each other's closest competitor in the relevant markets and the merged entity will continue facing significant competition from existing strong competitors after the merger. Low price transparency of high-purity process chemicals and the qualification process also reduce the risk for collusion between market players.

PHARMACEUTICAL COMPANIES 'FIT' FOR MERGER



CCCS has cleared the proposed acquisition of Mundipharma's consumer healthcare business (the "Target Business") by iNova Pharmaceuticals (Singapore) Pte. Limited ("iNova").

The Target Business is Mundipharma's consumer healthcare business which supplies products in the upper respiratory care, wound care, feminine care and digestive health in a number of countries. In Singapore, the Target Business offers throat preparation products, cold and flu products, wound care products and feminine wash products under the Betadine brand.

iNova develops, markets and sells a range of prescription and consumer healthcare products in several countries. In Singapore, it offers throat preparation products, and products relating to cough, body care, weight management, pain management, respiratory health, cardiology and dermatology products under a number of brands such as Diffлам, Duro-Tuss, Dermaveen and Aldara.

CCCS assessed the competitive effects of the merger with reference to the market for the supply of throat preparation products to consumers in Singapore.

CCCS found that the merger is unlikely to substantially lessen competition in the relevant market as there are multiple suppliers of throat preparation products that compete closely with the merged entity. Customers can easily switch between suppliers as they view competing throat preparation products supplied by competing suppliers to be close substitutes.

Intermediate customers like chain pharmacies and supermarkets may have some bargaining power that could constrain the merged entity. Also, prices charged to intermediate customers are not transparent due to differing procurement and negotiation processes, and varying contract lengths.

Moreover, retail prices are transparent and easily comparable, and there is no additional information made available to competing suppliers from the merger that would make it easier for competitors to collude. In addition, the merged entity will not have the ability to foreclose competitors by requiring customers to purchase products in a bundle, as selected intermediate customers may have some degree of bargaining power and customers generally prefer to stock a range of products across various brands and suppliers.

CONCERNS RAISED ON MERGER OF RIDE-HAIL OPERATORS

CCCS raised competition concerns on the proposed acquisition by Grab Holdings Limited ("Grab") through its wholly-owned subsidiary, Grab Rentals Pte. Ltd. ("GrabRentals") of Transcab Holdings Ltd. ("Trans-cab") after completing its preliminary Phase 1 review on 16 October 2023.

GrabRentals owns a fleet of private-hire cars for rental to drivers to provide ride-hail services to passengers. In Singapore, Grab operates primarily over a mobile application across the digital financial services, delivery and mobility sectors, including ride-hail platform services.

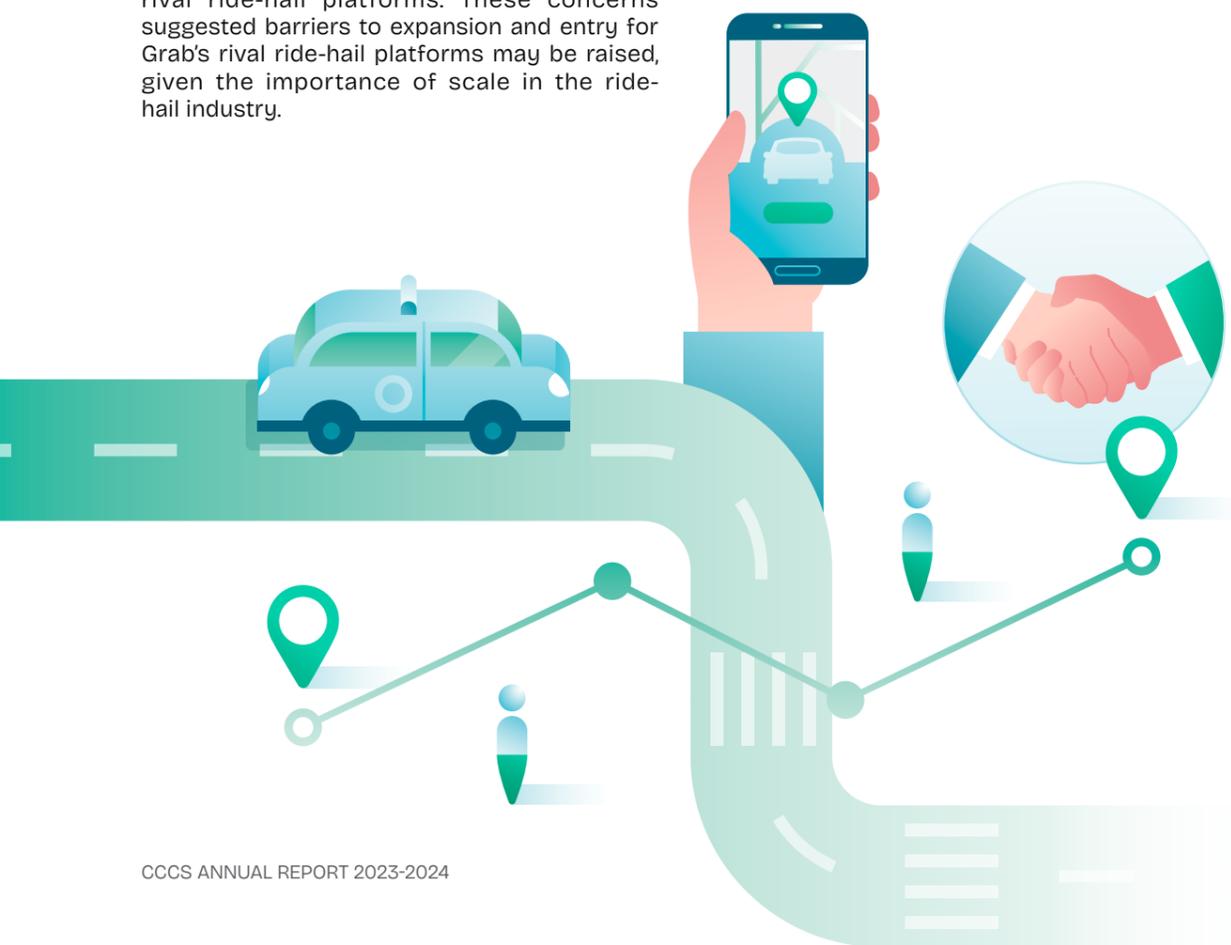
Trans-cab is a licensed street-hail service operator in Singapore. Like GrabRentals, it also owns a fleet of private-hire cars for rental to drivers to provide ride-hail services. Trans-cab offers phone taxi booking services to passengers but only for the taxi fleet operated by Trans-cab.

In its Phase 1 review, CCCS received feedback concerning the effect of Grab's ownership of the Trans-cab fleet on Trans-cab drivers' usage of rival ride-hail platforms. These concerns suggested barriers to expansion and entry for Grab's rival ride-hail platforms may be raised, given the importance of scale in the ride-hail industry.

On 31 October 2023, Grab proposed certain commitments to address the competition concerns identified by CCCS at the end of the Phase 1 review. CCCS found that, without the benefit of an in-depth review, it was unable to conclude that the Commitments adequately addressed the competition concerns identified.

In addition, CCCS found that the proposed duration of two years for the commitments was insufficient to address the concerns which would arise from a permanent change in market structure. CCCS also found Grab's monitoring mechanism, which was to be self-policing in nature, to be insufficient. CCCS informed Grab on 24 November 2023 that it was unable to accept the Commitments.

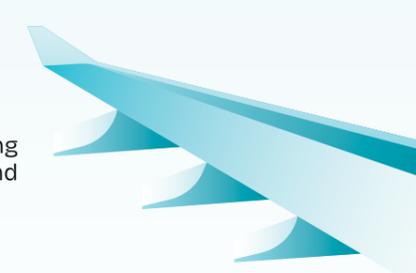
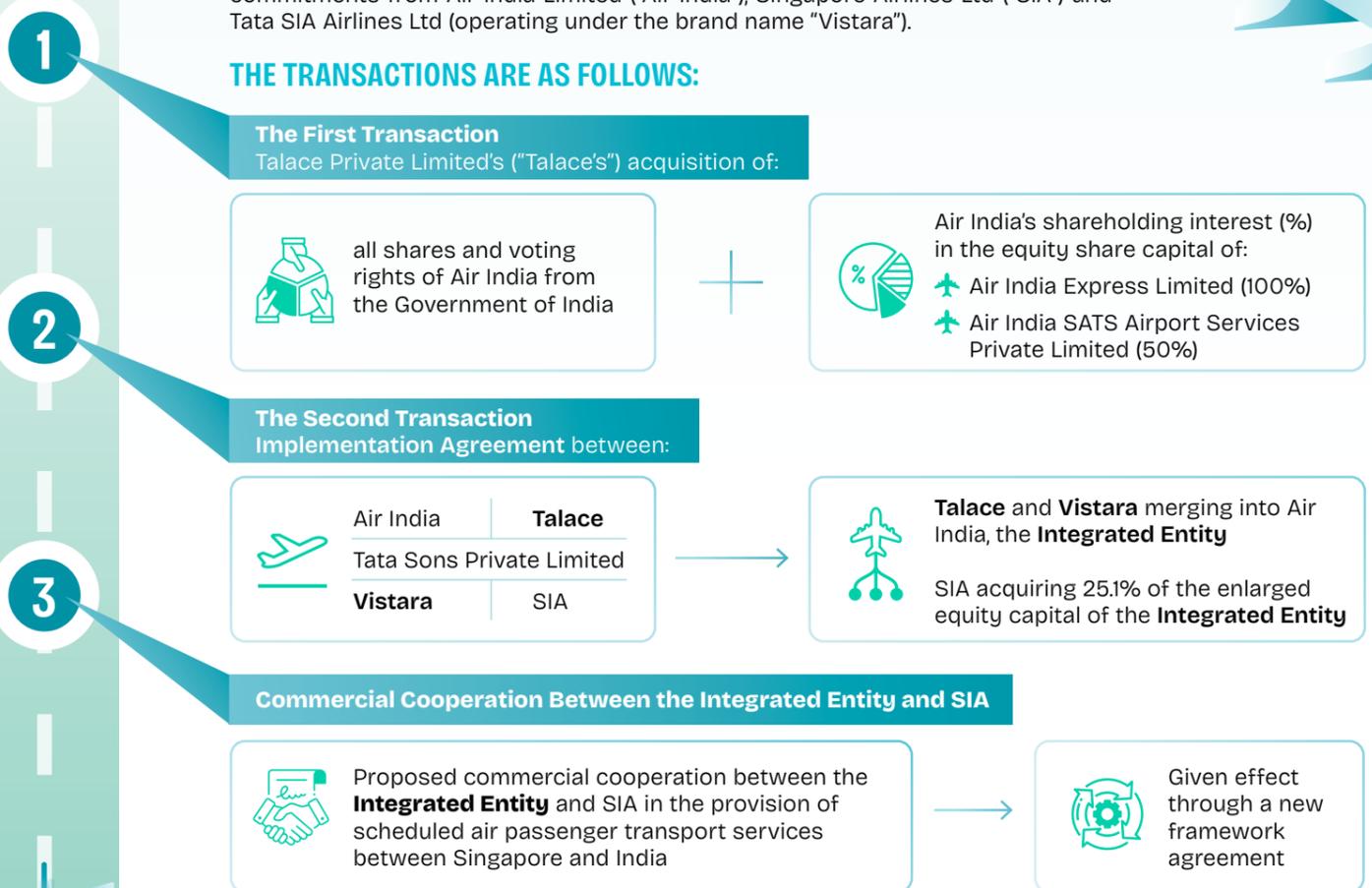
Following further filing of the relevant documents by Grab on 25 January 2024, CCCS commenced an in-depth Phase 2 review, which would entail a more detailed and extensive examination of the merger situation.



AIR INDIA, SIA AND VISTARA AIRLINE TRANSACTIONS CONDITIONALLY CLEARED FOR TAKE-OFF

CCCS has granted conditional approval of a set of transactions, after accepting commitments from Air India Limited ("Air India"), Singapore Airlines Ltd ("SIA") and Tata SIA Airlines Ltd (operating under the brand name "Vistara").

THE TRANSACTIONS ARE AS FOLLOWS:



After assessing these transactions, CCCS raised competition concerns, particularly regarding the relevant parties possessing the majority of the market shares for carriers offering direct flights on four routes, between Singapore and (i) New Delhi, (ii) Mumbai, (iii) Chennai, and (iv) Tiruchirappalli respectively. Despite competing airlines providing services on these routes, said parties have sustained substantial market share in recent years. CCCS also assessed that price and capacity coordination between said parties arising from the transactions would significantly restrict competition on affected routes.

Against this backdrop, the relevant parties proposed three sets of commitments for relevant parties of the First Transaction, Second Transaction and the

Commercial Cooperation. The relevant parties are committed to maintain capacity on the four routes at pre-COVID-19 levels and will appoint an independent auditor to monitor compliance with the commitments who will submit an annual report detailing the relevant parties' compliance. Furthermore, each of the relevant parties must submit an interim report, monitoring their respective compliance with the committed capacity levels for every three weeks of non-fulfilment in a report year.

CCCS concluded that these commitments would sufficiently address the competition concerns arising from the transactions and has hence approved the transactions on 5 March 2024, subject to adherence to these commitments.

GREENWASHING: VAGUE CLAIMS, TECHNICAL JARGON ON E-COMMERCE SITES CONFUSE OR MISLEAD CONSUMERS

To better understand greenwashing on e-commerce websites in Singapore, CCCS awarded a grant to researchers from the Centre for Governance and Sustainability at the National University of Singapore (“NUS”) Business School to look into such practices. The objective was to focus on e-commerce websites widely visited by Singapore residents and identify the prevalence and types of greenwashing.

The study reviewed environmental claims made on over 1,000 products offered on the 100 most visited e-commerce sites by Singapore residents in October 2022. Based on samples surveyed, 51% of online product claims were found to be vague, lacking elaboration or details to substantiate the claims. 14% of the online product claims used technical jargon that made it difficult for consumers to understand or verify the claim.

CCCS has advised suppliers to be specific in their environmental claims, ensuring that any qualifying or supporting information is presented accurately and clearly alongside such claims. Suppliers should avoid making claims that suggest the environmental benefit of the product is greater than it is, such as overstating the degree of recycled material used. For instance, claims labelling a product as “environmentally friendly” based on a mere 10% recycled material content could be misleading if consumers perceive the product to be entirely composed of recycled material. All environmental claims should be substantiated with valid and credible evidence.

Claims containing technical jargon can confuse or mislead consumers about the environmental benefits of the suppliers’ goods, services, or businesses. For example, terms like “made of high-quality ABS eco-friendly material” can be unclear. Suppliers are advised to use language that is easier for consumers to understand and to explain the meaning or implications of technical terms.



TIPS WHEN BUYING PRODUCTS WITH ENVIRONMENTAL CLAIMS

Be wary of broad and vague environmental claims:

Check whether the supplier has provided any other information along with the environmental claim and whether the information provided contradicts the headline claim.



Look up features and technical terms:

Look up the features and technical terms referred to in the environmental claim which you are not familiar with to better understand their associated environmental benefit. Compare features of competing goods or services to determine whether the feature highlighted in the environmental claim is a standard feature.



Familiarise yourself with environmental certifications or labels:

Learn about the scope, evaluation criteria, validity and reputability of the environmental certification or label by looking up information on the certification scheme. Look for information on a supplier’s environmental track record from credible sources such as news articles or reports from reputable environmental organisations.



Look beyond branding and imagery:

Consider whether the branding or imagery used is relevant to the product, service or business, and verify with information from credible sources.



Understand the environmental impact of consumption:

All goods, services or businesses have an impact on the environment. By understanding the environmental impact and trade-offs of our consumption habits and the businesses we buy from, we can make more informed decisions in our purchases and support suppliers who make genuine efforts to provide goods and services which are better for the environment.



HELPING CONSUMERS MAKE INFORMED DECISIONS FOR FUNERAL PRODUCTS

CCCS issued its findings and recommendations for a market study into the funeral services industry in Singapore on 17 November 2023. Conducted with the support of the National Environment Agency (“NEA”), the study into the funeral services industry in Singapore sought to understand the competitive landscape of the industry, the ability of consumers to make informed decisions when purchasing funeral products and identify any potential competition and consumer protection issues.

The study did not uncover any competition concerns among funeral service providers (“FSPs”) in Singapore. Ample choices of FSPs exist, including for each of the larger religious groups and free thinkers. The study also noted that market concentrations are not high and there is no evidence of anti-competitive conduct prohibited under the Competition Act 2004.

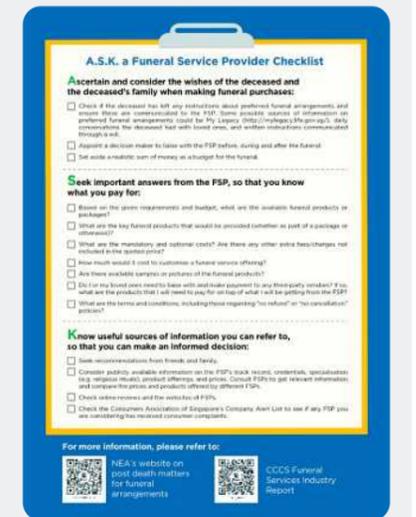
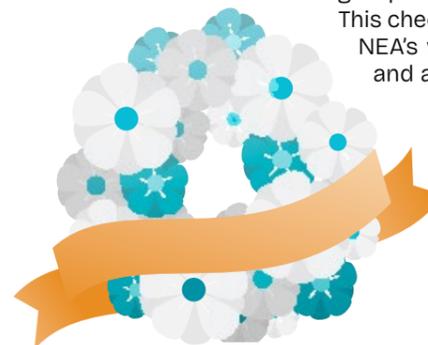
Given the significant and unavoidable expense of funeral products, the study found that funeral pre-planning helps consumers make informed decisions. Pre-planning end-of-life arrangements and sharing one’s funeral wishes with loved ones can ease decision-making and reduce stress on bereaved families.

The study identified a need for improved price transparency in the funeral industry. Consumers generally lack awareness of funeral product costs due to the infrequent nature of such purchases and the limited availability of price information. Funeral packages can vary significantly in price, and consumers may not know the final cost at the time of engagement due to the option to purchase add-ons or cancel items. FSPs are encouraged to enhance transparency by clearly outlining what is included in a package, highlighting potential price changes, providing a list of optional items and their prices, issuing written terms and conditions and offering detailed invoices.

FSPs should provide clear and accurate information regarding their products, ensure mandatory fees are included in the headline price and clearly state optional fees and charges. Agreement from the appointed decision maker should be obtained for any additional products to avoid misunderstandings.

To help consumers make informed decisions, CCCS has developed the “A.S.K. a FSP checklist,” encouraging pre-planning and asking the right questions when consulting with an FSP.

This checklist is available on CCCS’s website, NEA’s website and the My Legacy portal, and at selected care facilities.



Scan the QR code below to access the checklist:



<https://go.gov.sg/ask-fsp-checklist>

ENHANCING COMPETITION AND CONSUMER PROTECTION REGULATORY AND ENFORCEMENT REGIME

CCCS ISSUES GUIDANCE FOR GREEN BUSINESS COLLABORATIONS

In March 2024, CCCS issued a Guidance Note on Business Collaborations Pursuing Environmental Sustainability Objectives ("ESCGN") to offer clarity to businesses seeking to pursue such collaborations without harming competition.

The full ESCGN, accompanied by a summary brochure for businesses, is accessible on CCCS's website at www.cccs.gov.sg, empowering businesses to navigate collaborations confidently while upholding fair competition principles.

The ESCGN outlines CCCS's approach to evaluating these collaborations within the framework of the Competition Act 2004. It provides examples of collaborations that typically do not raise competition concerns and conditions under which competition concerns are less likely to arise. Additionally, the ESCGN sheds light on how CCCS would assess whether potentially anti-competitive collaborations may still qualify for the Net Economic Benefit exclusion.

Businesses are encouraged to self-assess their collaborations using the ESCGN. CCCS has also introduced a streamlined notification process to provide quicker assessment to businesses who notify their collaborations to CCCS for guidance or decision.

Scan the QR code below to
access the ESCGN:



<https://go.gov.sg/cccs-escgn>

LEASING OF PRIVATE RETAIL SPACES

The market inquiry into the leasing of private retail spaces in Singapore was published in August 2023.

The inquiry looked into features of retail space market(s), with a focus on whether there are structural problems in the market(s) for leasing of private retail spaces in Singapore.

In particular, CCCS assessed whether landlords possess market power and, if so, potential reasons for their market power. CCCS also examined if there are potentially anti-competitive clauses used by landlords in their tenancy agreements, which were exclusivity radius clauses and restrictions on the choice of electricity retailers.



ENGAGING OUR STAKEHOLDERS

CCCS works closely with other government agencies to advise them on competition and consumer protection matters. CCCS also engages various stakeholders to raise their awareness on issues relating to competition and consumer protection laws.

OVERVIEW OF FY2023 GOVERNMENT ADVISORIES

In FY2023, CCCS completed a total of 25 advisories for 16 government agencies, including advisories for the Ministry of Health, the Ministry of Manpower, the Health Promotion Board, and the Land Transport Authority. From CCCS's survey of competition advisories to government agencies that were concluded in FY2023, 100% of government agencies found the advisories to be useful, and 95% of them indicated that they were adopting or implementing CCCS's advice.

ADVISORY TO A GOVERNMENT AGENCY ON PUBLICATION OF PRICES FOR SPECIFIC PRODUCT

One of the advisories concerned a government agency's proposal to publish the prices of a certain category of products that are offered to business customers in an industry. This stemmed from feedback raised by the business customers that the prices for these products were escalating. In response, CCCS advised that the collection and publication of actual or historical prices by the government agency is unlikely to restrict competition and could instead promote price transparency, enabling the business customers to compare prices more easily. However, CCCS also advised the government agency to: (a) ensure that the

proposal does not allow the product providers to access one another's future pricing information; (b) collect the information from each product provider independently without the need for any information-sharing between the product providers; (c) include as many product providers as possible in the prices that are published; (d) avoid endorsing any particular product provider or prices; (e) clearly state the qualifiers next to the published prices so that it would be clearer what components are included in the prices; and (f) verify the accuracy of the prices received from the product providers.

ADVISORY ON PROPOSED INITIATIVE RELATING TO OPERATION OF KEY INFRASTRUCTURE

CCCS was asked to advise on a proposed initiative that involved a consortium of competitors taking on the role of operating an infrastructure that other industry players would need to access, and where the consortium may subcontract the operations of aspects of the infrastructure to various service providers. CCCS advised the government agency that there was potential for distortion of competition under the proposal, if the consortium would be involved in the selection of outsourced service providers to set selection criteria,

as the businesses in the consortium are themselves potential outsourced service providers and so may compete to bid for the provision of such outsourced services. There was also risk that competitive advantage may be given to the businesses in the consortium over their competitors, should they be provided with the right to match offers by their competitors. CCCS also highlighted the risk of anticompetitive conduct arising from the businesses in the consortium having access to their competitors' commercially sensitive information.

ADVISORY TO A GOVERNMENT AGENCY CONCERNING AGREEMENT AMONG COMPETING SERVICE PROVIDERS

CCCS advised a government agency on a potential agreement among competing service providers to share their assets to serve different locations. The objective of this initiative was to improve operational efficiency and asset utilisation, which could raise productivity and reduce emissions. In response, CCCS advised that, as the industry was relatively concentrated, there may be potential competition concerns, such as

market sharing, if the combined market share of the service providers in the agreement are high. The government agency was advised to ensure that only the assets were shared among the service providers in the agreement, that the service providers avoid joint marketing or selling, or any form of commercial and price agreement. Each of the service providers should continue to compete for customers at any location.



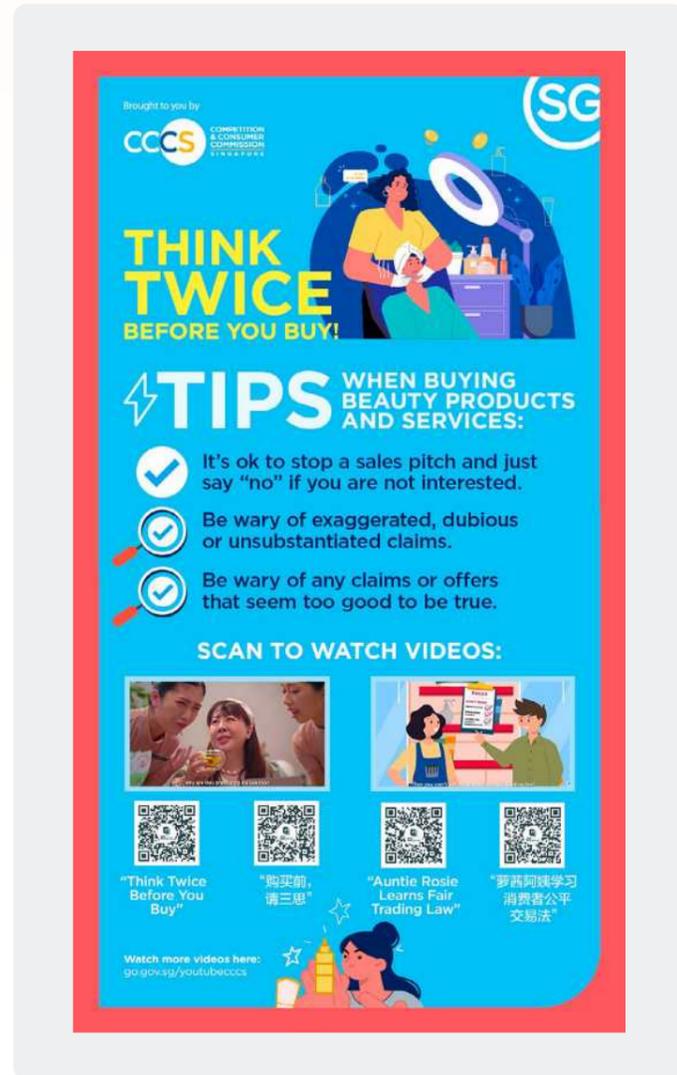
BEAUTY AND WELLNESS SECTOR OUTREACH

CCCS conducted a series of outreach efforts to educate consumers and suppliers in the beauty and wellness sector. Two beauty-related videos (available in English and Mandarin) were developed and shared on CCCS's social media platforms to reach more consumers and suppliers.

From 19 May to 15 June 2023, CCCS ran a digital marketing campaign to highlight the Dos and Don'ts for suppliers, as well as tips for consumers when purchasing beauty products and services. The visuals were also shared on CCCS's Facebook page and Instagram account.

To increase the reach, CCCS published educational infographics via Digital Display Panels located throughout HDB estates for a week in August 2023. Additionally, CCCS partnered with the People's Association to put up posters on selected Residents' Committee and Community Centres noticeboards.

CCCS also sent an advisory letter and information pack containing Dos and Don'ts to beauty businesses to educate and remind them to adopt fair trading practices and steer clear of unfair practices.



OUTREACH TO LAND TRANSPORT AUTHORITY ("LTA")

An outreach session was conducted to 60 procurement officers from LTA on 15 June 2023. The session focused on increasing awareness on bid-rigging. During the session, CCCS presented its sample anti-competitive warning clauses and declarations, bid-rigging detection tool, document similarity tool and provided insights on identifying affiliated tenderers.



OUTREACH TO PUBLIC SERVICE RETIREES' NETWORK

CCCS invited members of the Public Service Retirees Network ("Network") to participate in a briefing session on Singapore's consumer protection regime and to seek volunteers to partner with CCCS on consumer protection related projects.



The briefing cum lunch session was conducted on 10 November 2023. Twenty-two Network members attended the session.

OUTREACH TO ENTERPRISE SINGAPORE

On 2 November 2023, CCCS conducted an outreach session to Enterprise Singapore, to enhance the understanding of CCCS's role, the Competition Act, bid-rigging detection and the Competition Impact Assessment toolkit.



OUTREACH TO MCCY

On 3 November 2023, CCCS participated in an outreach event organised by the National Heritage Board at the Ministry of Culture, Community & Youth's Procurement Community of Practice. The event focused on how tender design may impact competition and value-for-money in procurement processes. Additionally, CCCS shared insights on bid-rigging and the tools available to detect such practices.



OUTREACH TO RAJAH & TANN

At the invitation of Rajah & Tann Singapore LLP, CCCS presented at their office on 26 May 2023, on CCCS's recent enforcement actions under the Consumer Protection (Fair Trading) Act 2003 ("CPFTA"). The discussion also provided insights into future consumer protection priorities.



LEGAL ROUNDTABLE 2023

On 12 October 2023, CCCS held a legal roundtable to update competition and consumer law practitioners on CCCS's current work and practices. Topics covered included the digitalisation and amendments of Form M1, CCCS's Guidance Note on Business Collaborations Pursuing Sustainability Objectives and updates on consumer protection cases. The event was attended by 16 legal practitioners.



COMPETITION PRIMER WORKSHOP

Co-organised by CCCS and the Law Society of Singapore, the "Competition Primer" webinar on 2 November 2023 targeted SME law firms and competition practitioners. CCCS introduced our work in competition law to 134 participants, covering topics such as dawn raids, leniency applications, compliance programmes and considerations when filing a merger notification with CCCS.



CONSUMER PROTECTION PRIMER WEBINAR

On 17 January 2024, the Law Society of Singapore and CCCS co-presented the "Consumer Protection Primer" webinar, providing an overview of Singapore's consumer protection regime, unfair trade practices under CPFTA and CCCS's administration and enforcement of CPFTA. Experienced consumer protection practitioners shared

insights into working with CCCS to file injunction applications against errant suppliers and advising clients on CPFTA. The webinar also discussed CPFTA's investigations, procedures, legal proceedings and recent cases. The event drew 184 participants, comprising legal practitioners and in-house counsels.

ASHURST ROUNDTABLE



At the Ashurst Roundtable on 9 November 2023, CCCS shared our recent competition and consumer protection work to an audience comprising in-house legal counsels from businesses such as Shell, Maersk, Samsung, Toll, Meta and Grab.

COPCOMER WORKSHOP ON COMPETITION AND CONSUMER PROTECTION

The Community of Practice for Competition and Economic Regulations ("COPCOMER") workshop was held on 28 March 2024. Titled "Competition and Consumer Protection: What Public Officers Need to Know", the workshop was targeted at public officers who were keen to understand how government policies, initiatives and regulations may impact competition and consumers, and learn the toolkits and frameworks that will help to address such concerns.

Past cases were shared, and interactive quizzes were held during the workshop to test the knowledge of

attendees. A guest speaker from the Energy Market Authority spoke on recent changes to retailer licensing regime to better protect smaller electricity consumers.

The event saw a turn-out of close to 80 attendees. The overall feedback from the participants was positive and majority of them expressed that the workshop has improved their understanding of the Competition Act and CPFTA.



OUTREACH TO NANYANG JUNIOR COLLEGE ("NYJC") AND NATIONAL UNIVERSITY OF SINGAPORE ("NUS")

In April 2023, CCCS officers conducted outreach sessions to students on CCCS's work in competition and consumer protection. On 5 April 2023, outreach was conducted to 80 NYJC students, discussing prohibitions under the Competition Act and relevant case studies. On 11 April 2023, CCCS officers spoke to 15 NUS students from the Industrial Organisation class regarding Competition Act prohibitions, relevant case studies and the role of the government in the markets.



OUTREACH TO TAMPINES MERIDIAN JUNIOR COLLEGE ("TMJC")

On 14 July 2023, CCCS conducted an outreach session to approximately 200 H2 Economics students at TMJC, where we explained CCCS's role in enforcing the Competition Act and CPFTA.



OUTREACH TO NANYANG TECHNOLOGICAL UNIVERSITY ("NTU")

An outreach session to NTU Business School's faculty staff, accounting and marketing students was conducted on 18 September 2023 to raise awareness on CCCS's role, the Competition Act and the CPFTA.



SINGAPORE MANAGEMENT UNIVERSITY ("SMU") COMPETITION LAW LECTURE 2023

On 16 and 17 October 2023, CCCS officers gave SMU students an overview of the key prohibitions of the Competition Act and how these are enforced by CCCS.



LECTURE AT NUS LAW SCHOOL

On 17 October 2023, CCCS delivered a lecture to students of an NUS Competition Law class on the economics of merger analysis.



NUS STUDENT OUTREACH

On 7 November 2023, CCCS officers participated in a Q&A session with students enrolled in the competition law course at the NUS.



OUTREACH TO TRADE ASSOCIATIONS

26TH ANNUAL SME CONFERENCE & INFOCOMM COMMERCE CONFERENCE & EXPO ("SMEICC") 2023

CCCS participated in the SMEICC 2023 as a government partner for the third consecutive year. Themed "Leadership Next: Rising Above Adversity", the SMEICC 2023, was held from 15 to 16 August 2023, and was attended by over 4,500 participants and featured both local and international experts and speakers.

CCCS participated in the government sharing session, that was attended by 65 SME representatives from various industries. CCCS presented on business compliance, focusing on CCCS's Leniency Scheme, Whistle-blowing Programme and its avenues for Notification for Guidance or Decision, especially relating to section 34 conduct.



Numerous visitors visited the CCCS booth, where they received information on competition and consumer protection laws. They were also encouraged to follow CCCS on social media to stay updated with the latest announcements.

To create awareness on business compliance, the Leniency Scheme and Whistle-blowing Programme, a post-event eDM was also disseminated to all participants.

PROTECT YOUR BUSINESS. DO THE RIGHT THING.

Is your business part of a cartel? Do you have inside information on cartel activity?

While your business competes to thrive and grow in today's challenging environment, you need to steer clear from engaging in anti-competitive conduct.

Cartel agreements, such as price fixing and bid-rigging, are the most serious type of anti-competitive conduct. They are generally secretive by nature and hence, difficult to detect.

Apply for Leniency if You Are Involved

CCCS affords lenient treatment to businesses that are part of an anti-competitive agreement when they come forward with information. Where eligible, they can be granted immunity from financial penalties.

Find out more here: go.gov.sg/ccsleniency

Report Cartel Activity

Help us keep the competition fair. Through the CCCS Whistle-blowing (Reward) Scheme, a monetary reward may be given to informants with information on cartel activity in Singapore, which lead to an infringement decision against cartel members. Your identity will be kept strictly confidential.

Find out more here: go.gov.sg/ccsrewards

Disclaimer: The Competition and Consumer Commission of Singapore is a Sponsoring Partner of the SMEICC 2023 event. All content provided in this eDM is for informational purposes only. The Singapore Chamber of Commerce & Industry (SCCI) makes no representations as to the accuracy or completeness of any information in this eDM or shared by following who link to this eDM. CCCS will not be liable for any errors or omissions in this information nor for the availability of this information. CCCS will not be liable for any losses, injuries, or damages from the misuse or use of this information.

OUTREACH TO SINGAPORE INSTITUTE OF ARCHITECTS ("SIA")

A meeting between the CCCS and SIA was held on 29 May 2023 to address SIA's queries about the Competition Act 2004.



BEYOND OUR SHORES

CCCS engages with our international counterparts to achieve our aim of making markets work well to create opportunities and choices for businesses and consumers in Singapore. We work with our partners to build necessary capacities and to cooperate on cross-border matters.

As part of the Association of Southeast Asian Nations (“ASEAN”) community, Singapore plays an active role in collaborating with other ASEAN Member States to enhance competition and consumer protection policies in the region. CCCS represents Singapore at the ASEAN Experts Group on Competition (“AEGC”) and the ASEAN Committee on Consumer Protection (“ACCP”), and actively contributes to the various initiatives and activities of both bodies.

26TH & 27TH MEETINGS OF THE ACCP

Established by the ASEAN Economic Ministers in 2007, the ACCP is the focal point for implementing and monitoring regional arrangements and mechanisms to foster consumer protection within the ASEAN Economic Community. Its roles include ensuring consumer protection measures are in place across all ASEAN Member States, enhancing consumer access to information, establishing mechanisms for consumer redress and product recalls, and strengthening institutional capacity of consumer protection authorities in the region.

From 15 to 17 May 2023, the ACCP held its 26th meeting virtually to discuss the progress of various projects,

including the ASEAN Handbook on Consumer Protection Laws and Regulations, the development of Online Interactive and Distance Learning Tools and the implementation of the ASEAN Consumer Empowerment Index.

The 27th meeting of the ACCP was held in Siem Reap, Cambodia, from 20 to 24 November 2023. The progress of various ACCP projects, including the ASEAN Guidelines on Unfair Contract Terms, Voluntary Peer Review, ASEAN Guidelines on Product Safety and Labelling, the ASEAN Handbook on Consumer Protection Laws and Regulations, as well as the ACCP web portal was discussed.



31ST & 32ND MEETINGS OF AEGC

The AEGC was established as a platform for ASEAN competition agencies to collaborate on competition policy matters, focusing on building the capabilities of ASEAN member states to effectively implement competition law.

The 31st and 32nd Meetings of the AEGC were held from 9 to 13 October 2023 in Cebu, Philippines and from 11 to 15 March 2024 in Bangkok, Thailand, respectively. CCCS participated in the meetings in-person, providing updates on recent competition developments in Singapore.

The meetings also covered the progress of various ASEAN projects and initiatives, including plans for developing a web portal to share information on mergers among ASEAN Member States. CCCS also participated in a brainstorming session along the sidelines of the 32nd Meeting of the AEGC to discuss development of the post-2025 ASEAN Competition Action Plan.



10TH ASEAN COMPETITION CONFERENCE

The Philippine Competition Commission hosted the 10th ASEAN Competition Conference in Manila, Philippines from 29 to 30 November 2023. The conference examined the interplay between competition policy and intellectual property rights regulation. CCCS spoke on a panel on technology transfer and competition.



CCCS actively participates in various international competition platforms to promote pro-competition and pro-consumer policies. These platforms also provide opportunities to exchange insights and best practices on competition and consumer protection policies with foreign counterparts.

ICPEN ANNUAL EVENTS 2023

Hosted by the Australian Competition and Consumer Commission, the International Consumer Protection and Enforcement Network ("ICPEN") Annual Conference 2023 took place in Sydney, Australia from 8 to 12 May 2023. This key event allowed members to share experiences and best practices on addressing issues related to consumer protection.



As a keynote speaker at the Asia-Pacific Regional Engagement Forum, Ms Sia Aik Kor, Chief Executive of CCCS shared observations on emerging issues such as dark patterns, sustainability claims and digital platforms, discussing Singapore's perspective on regional engagement and international cooperation in an evolving economic and technological landscape. Ms Sia also spoke at the ASEAN-Australia-New Zealand Free Trade Area Consumer Affairs Programme ("AANZFTA CAP") Consumer Protection Leaders Roundtable, highlighting CCCS's challenges and efforts in strengthening consumer protection online, and shared ways in which national consumer authorities can cooperate, to achieve this goal. Additionally, she moderated the panel session on "Innovations in Consumer Protection," featuring senior representatives from the US Federal Trade Commission, the European Commission, the Competition Authority of Kenya and the Portuguese Consumer Agency.



On 5 June 2023, CCCS was formally accorded membership status at ICPEN.

From 4 to 6 October 2023, CCCS participated in the ICPEN Conference in Warsaw, Poland and was part of the panel discussion on "Showcases of newer and smaller consumer agencies".



From 29 January to 2 February 2024, ICPEN held its Internet Sweep, which is an ongoing ICPEN initiative to target and gather intelligence about fraudulent, deceptive, and unfair conduct online. The theme for 2024 was "Dark Patterns in Subscription Services". CCCS participated in the ICPEN Internet Sweep for the first time, and CCCS officers, together with volunteers from the Public Service Retirees Network, examined multiple websites and mobile applications for the use of dark patterns.

OECD COMPETITION COMMITTEE MEETINGS & VISIT TO THE NETHERLANDS ACM

The Organisation of Economic Cooperation and Development ("OECD") Competition Committee Meetings took place in Paris, France from 12 to 16 June 2023. CCCS submitted a written contribution for the discussion on "Assessment and Communication of the Benefits of Competition Interventions." CCCS also shared our insights and experiences regarding the reassessment of Singapore's Merger Review Framework. At the sidelines of the OECD meetings, bilateral meetings with senior representatives of the national competition agencies of Canada, New Zealand and the United Kingdom were arranged.



Following the OECD Competition Committee Meetings, the CCCS delegation visited the Netherlands Authority for Consumers and Markets ("ACM") on 19 June 2023. The delegation had productive discussions with ACM's senior management on the latest developments in competition and consumer protection. We gained valuable insights into ACM's enforcement strategies, particularly in the area of sustainability and the digital economy.

IGN 2023 ANNUAL CONFERENCE

The 2023 International Competition Network ("ICN") Annual Conference in Barcelona, Spain was held from 18 to 20 October 2023. Ms Sia Aik Kor, Chief Executive of CCCS moderated a panel discussion on the ICN Agency Effectiveness plenary session, "Looking into the Crystal Ball: What do we see and how do we choose our priorities." This session focused on identifying priority areas for competition agencies in the next 1-2 years. Ms Sia, in her capacity of ICN Vice Chair, also moderated

a closed-door discussion between Heads of Competition Agencies on the challenges of sustainability-related competition issues and cases. Additionally, CCCS, as an Agency Effectiveness Working Group co-chair, organised the breakout session on "Innovative Detection Tools."

At the sidelines of the conference, CCCS also had a bilateral meeting with the Commissioner of the Korea Fair Trade Commission.



18TH EATOP AND THE 15TH EAC

The 18th East Asia Top Level Officials' Meeting on Competition Law and Policy ("EATOP") meeting and the 15th East Asia Conference ("EAC") was held from 25 to 26 July 2023 in Bangkok, Thailand.

At the EATOP session on "The Role of Competition Policy in Promoting Environmental Sustainability", CCCS gave an overview of its support towards Singapore's Green Plan 2030. These efforts include a comprehensive review of the competition regime to ensure its relevance in addressing sustainability-related anti-competitive conduct and providing businesses with clarity through the proposed Guidance Notes for Businesses and Government Agencies on Environmental Sustainability Collaborations.

CCCS also participated in the 15th East Asia Conference ("EAC") on 26 July 2023, which was an open event to

promote and develop a common understanding of competition policy and law in the region.

At the sidelines of EATOP and EAC, CCCS had bilateral meetings with Chairpersons from the competition authorities of Hong Kong, Japan and Taiwan.



COMPETITION ENFORCERS AND ACADEMICS SUMMIT

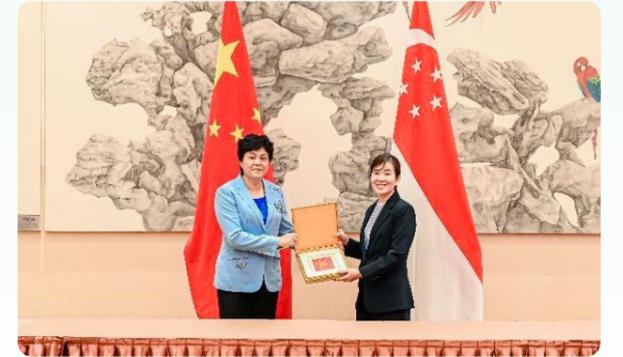
CCCS participated in the Competition Enforcers and Academics Summit ("Summit") in Hong Kong from 10 to 11 August 2023. At the Summit, CCCS shared its experiences at two sessions – "How to Work with Other Authorities in Merger Review and Remedy Design?" and

"Keeping Up with Technological Development: How Can Competition Authorities Use Digital Tools to Strengthen Their Enforcement Work, Especially in the Face of Increasing Risk of Algorithms-Enabling and Other Conventional Anti-Competitive Conduct?".



10TH INTERNATIONAL FORUM ON FAIR COMPETITION POLICY OF CHINA

The 10th International Forum on Fair Competition Policy of China took place in Nanjing, China, from 11 to 12 September 2023. CCCS's Chief Executive, Ms Sia Aik Kor delivered a keynote speech at the Forum. During the Forum, a bilateral meeting was held between CCCS and China's State Administration for Market Regulation ("SAMR") Vice Minister Gan Lin, Chief Inspector of Anti-Monopoly Xu Xinjian, and the Director-Generals under the State Anti-Monopoly Bureau. The meeting reaffirmed the strong working relationship between the two agencies and expressed a mutual desire for deeper cooperation and regular exchanges.



GCR LIVE: LAW LEADERS ASIA-PACIFIC CONFERENCE



The Global Competition Review ("GCR") Live: Law Leaders Asia-Pacific Conference was held from 29 to 30 August 2023. CCCS participated as a panel member at the ASEAN Enforcers Roundtable where we discussed recent competition developments in Singapore, including its work in digital markets and algorithms, and merger assessments and filings. Other senior representatives from regional competition authorities also spoke at the conference.



SINGAPORE-US THIRD COUNTRY TRAINING PROGRAMME: WORKSHOP ON THE ROLE OF COMPETITION LAW IN SUPPORTING THE GROWTH OF MSMEs

From 22 to 26 January 2024, CCCS jointly conducted a workshop with the US Department of Justice, US Fair Trade Commission and Competition Bureau Canada. The Singapore-US Third Country Training Programme: Workshop on the Role of Competition Law in Supporting the Growth of Micro, Small & Medium Enterprises ("MSMEs") was attended by 29 competition and economic officials from ASEAN and provided an overview of various types of anticompetitive practices and their harm to MSMEs.

Topics covered included an introduction to competition law, an overview of the types of anti-competitive conduct, how to conduct an analysis of competition cases, and an overview of emerging trends impacting competition, such as sustainability.



SECONDMENT TO ACCC

An officer from the Consumer Protection Division was attached to the Consumer and Fair Trading (Enforcement Northern and Eastern) Sydney Branch office of the Australian Competition & Consumer Commission ("ACCC") for two months from 11 September 2023 to 10 November 2023.



Free Trade Agreements ("FTAs") facilitate free trade and investment by offering tariff concessions, sector-specific access and fast market entry. Many of Singapore's FTAs include chapters on competition and provisions on consumer protection. CCCS also participates in negotiations for other framework agreements that aim to strengthen ties and cooperation.

CCCS represents Singapore as the Chapter Lead for negotiations of competition and consumer protection provisions in FTAs and other framework agreements. Some agreements under negotiation include the ASEAN-Canada Free Trade Agreement ("ACAFTA"), ASEAN-China Free Trade Agreement ("ACFTA"), Indo-Pacific Economic Framework for Prosperity ("IPEF"), and ASEAN Framework Agreement on Competition ("AFAC").

ACAFTA

ASEAN and Canada have committed to negotiate a comprehensive FTA to promote free trade and investment. This agreement aims to diversify supply chains, increase trade and investment and reinforce a shared commitment to open markets and rules-based trade. CCCS represents Singapore in the Working Group on Competition for the ACAFTA. In FY2023/2024, negotiations for the competition chapter were held in September 2023, November 2023, and February 2024. Singapore was appointed chair of the competition chapter in November 2023 and will lead negotiations on competition matters for future rounds of the ACAFTA.

ACFTA

Leaders from ASEAN and China launched the start of negotiations to upgrade the ACFTA at the 25th ASEAN-China Summit in November 2022. Between April 2023 and March 2024, CCCS represented Singapore in six rounds of negotiations of the competition chapter.



IPEF

The IPEF was launched on 23 May 2022 and includes 14 participating partners—Australia, Brunei Darussalam, Fiji, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, the United States and Vietnam. The IPEF facilitates collaboration among countries to advance resilient, sustainable and inclusive economic growth, aiming to foster cooperation, stability, and prosperity in the region. CCCS represented Singapore in five rounds of negotiations of the competition chapter in the IPEF Agreement from September to December 2023.

AFAC

The 54th ASEAN Economic Ministers Meeting launched the negotiations for the AFAC, a formal cooperation agreement designed to facilitate cross-border cooperation and coordination on competition policy and law matters among ASEAN Member States. To date, 10 rounds of negotiations for AFAC have been held to date, with the first round of negotiations held in January 2023. CCCS will continue working with other competition authorities in ASEAN, with a view to completing negotiations by mid-2024.



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 www.cccs.gov.sg

 [cccs.sg](https://www.facebook.com/cccs.sg)

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 [@cccs_sg](https://www.youtube.com/channel/UCcCcsSG)

**Competition and Consumer Commission of
Singapore**

**Statement by Members of the Commission and
Financial Statements
Financial Year Ended 31 March 2024**

KLP LLP
CHARTERED ACCOUNTANTS
Associated with Abacus Worldwide
13A MacKenzie Road Singapore 228676
Tel: 6227 4180

Competition and Consumer Commission of Singapore
General information

Chairperson

Mr. Max Loh Khum Whai

Members

Ms. Sia Aik Kor (Posted out on 31 March 2024)
Mr. Alvin Koh Meng Sing (Appointed on 1 April 2024)
Mr. Ang Cheng Hock, S.C.
Ms. Aurill Kam
Ms. Chandra Mallika
Ms. Cindy Khoo
Dr. Faizal Bin Yahya
Ms. Jasmmine Wong
Mr. Jaspal Singh
Ms. Koh Puay Eng Agnes
Ms. Loo Siew Yee
Mr. Liu Feng-Yuan
Associate Prof Walter Edgar Theseira

Registered Office

45 Maxwell Road
#09-01
The URA Centre
Singapore 069118

Auditor

KLP LLP

Principal Banker

DBS Bank Limited

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Competition and Consumer Commission of Singapore
Statement by Members of the Commission
For the financial year ended 31 March 2024

In the opinion of the Members of the Commission,

- a) the accompanying financial statements of the Competition and Consumer Commission of Singapore (the "Commission"), set out on pages 6 to 32 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "PSG" Act), the Competition Act 2004 (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of the Commission as at 31 March 2024 and the results, changes in equity and cash flows of the Commission for the financial year ended on that date;
- b) proper accounting and other records have been kept, including records of all assets of the Commission whether purchased, donated or otherwise; and
- c) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Commission during the financial year are in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Commission.

The Members of the Commission have, on the date of this statement, authorised these financial statements for issue.

On behalf of the Commission,



Max Loh Khum Whai
Chairman



Alvin Koh Meng Sing
Chief Executive

Singapore, 5 JUL 2024

Independent Auditor's Report to the Members of Competition and Consumer Commission of Singapore

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Competition and Consumer Commission of Singapore (the "Commission"), which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of Public Sector (Governance) Act 2018 (the "PSG" Act), the Competition Act 2004 (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of the Commission as at 31 March 2024 and the results, changes in equity and cash flows of the Commission for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission in accordance with the Accounting and Corporate Regulatory Commission (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Statement by the Commission set out on page 1 and annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report to the Members of Competition and Consumer Commission of Singapore (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the PSG Act, the Act and SB-FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Commission or for the Commission to cease operations.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.

Independent Auditor's Report to the Members of Competition and Consumer Commission of Singapore (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Commission regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion,

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Commission during the year are, in all material respects, in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Commission; and
- (b) proper accounting and other records have been kept, including records of all assets of the Commission whether purchased, donated or otherwise.

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of the Commission in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Commission. This responsibility includes monitoring related compliance requirements relevant to the Commission, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Auditor's Responsibility for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Commission.



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Independent Auditor's Report to the Member of Competition and Consumer Commission of Singapore (continued)

Report on Other Legal and Regulatory Requirements (continued)

Auditor's Responsibility for the Compliance Audit (continued)

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Because of the inherent limitations in any accounting and internal control system, non-compliance may nevertheless occur and not be detected.

KLP LLP
Public Accountants and
Chartered Accountants

Singapore, 5 JUL 2024

Competition and Consumer Commission of Singapore
Statement of Financial Position
As at 31 March 2024

	<u>Note</u>	<u>2024</u> S\$	<u>2023</u> <u>(As restated)</u> S\$
Assets			
Non-current assets			
Plant and equipment	4	2,530,603	1,716,043
Right-of-use assets	5	5,536,096	6,749,420
		<u>8,066,699</u>	<u>8,465,463</u>
Current assets			
Investment security	6	9,994,772	-
Prepayments		366,925	428,663
Other receivables	7	349,970	343,793
Cash at banks	8	23,886,101	31,191,905
		<u>34,597,768</u>	<u>31,964,361</u>
Total assets		<u>42,664,467</u>	<u>40,429,824</u>
Equity and liabilities			
Equity			
Share capital	9	2,097,892	2,097,892
Accumulated surpluses		27,512,907	25,379,087
Total equity		<u>29,610,799</u>	<u>27,476,979</u>
Non-current liabilities			
Lease liabilities	10	4,455,894	5,671,941
Provisions for reinstatement costs		324,489	324,489
Deferred capital grant	11	1,803,261	1,260,596
		<u>6,583,644</u>	<u>7,257,026</u>
Current liabilities			
Lease liabilities	10	1,228,910	1,204,797
Deferred capital grants	11	742,846	471,337
Other payables and accruals	12	3,948,189	3,731,260
Provision for contribution to consolidated fund	13	437,048	281,089
Contract liabilities	15	113,031	7,336
		<u>6,470,024</u>	<u>5,695,819</u>
Total liabilities		<u>13,053,668</u>	<u>12,952,845</u>
Total equity and liabilities		<u>42,664,467</u>	<u>40,429,824</u>

The accompanying notes form an integral part of these financial statements.

Competition and Consumer Commission of Singapore
Statement of Comprehensive Income
For the financial year ended 31 March 2024

	Note	2024 S\$	2023 (As restated) S\$
Income			
Interest income		850,148	409,289
Application fee income		134,305	610,497
Other operating income		<u>41,941</u>	<u>72</u>
	15	<u>1,026,394</u>	<u>1,019,858</u>
Expenditure			
Depreciation of plant and equipment	4	(810,542)	(622,819)
Depreciation of right-of-use assets	5	(1,229,691)	(1,256,469)
Staff costs	16	(14,703,532)	(13,676,291)
Staff training and development costs		(127,554)	(230,810)
Information technology expenses		(2,361,264)	(1,926,159)
Operating lease expenses		(385,514)	(379,330)
Other expenses		(2,111,373)	(2,162,315)
Finance costs	17	<u>(105,168)</u>	<u>(106,002)</u>
		<u>(21,834,638)</u>	<u>(20,360,195)</u>
Deficit before government grants		(20,808,244)	(19,340,337)
Government grants			
Operating and other grants	18	22,568,184	20,370,988
Deferred capital grant amortised	11	<u>810,928</u>	<u>622,812</u>
		<u>23,379,112</u>	<u>20,993,800</u>
Surplus before contribution to consolidated fund		2,570,868	1,653,463
Contribution to consolidated fund	13	<u>(437,048)</u>	<u>(281,089)</u>
Net surplus for the year representing total comprehensive income for the year		<u><u>2,133,820</u></u>	<u><u>1,372,374</u></u>

The accompanying notes form an integral part of these financial statements.

Competition and Consumer Commission of Singapore
Statement of Changes in Equity
For the financial year ended 31 March 2024

	Share capital	Accumulated surpluses	Total equity
	S\$	S\$	S\$
Balance as at 1 April 2022	2,097,892	24,006,713	26,104,605
Net surplus for the year representing total comprehensive income for the year	-	1,372,374	1,372,374
Balance as at 31 March 2023	2,097,892	25,379,087	27,476,979
Net surplus for the year representing total comprehensive income for the year	-	2,133,820	2,133,820
Balance as at 31 March 2024	<u>2,097,892</u>	<u>27,512,907</u>	<u>29,610,799</u>

The accompanying notes form an integral part of these financial statements.

Competition and Consumer Commission of Singapore
Statement of Cash Flows
For the financial year ended 31 March 2024

	2024	2023
	S\$	(As restated)
	S\$	S\$
Cash flows from operating activities		
Deficit before government grants	(20,808,244)	(19,340,337)
<i>Adjustments for:</i>		
Depreciation of plant and equipment	810,542	622,819
Depreciation of right-of-use assets	1,229,691	1,256,469
Finance cost	105,168	106,002
Interest income	(850,148)	(409,289)
Operating cash flow before working capital changes	(19,512,991)	(17,764,336)
<i>Changes in working capital:</i>		
Prepayments	61,738	(94,552)
Other receivables	333,922	48,396
Other payables and accruals	216,929	961,470
Contract liabilities	105,695	(160,497)
Cash flows used in operations	(18,794,707)	(17,009,519)
Contribution to consolidated fund	(281,089)	(590,444)
Net cash used in operating activities	(19,075,796)	(17,599,963)
Cash flows from investing activities		
Interest received	426,878	107,938
Investment in security	(9,911,600)	-
Purchase of plant and equipment	(1,625,102)	(1,326,685)
Net cash used in investing activities	(11,109,824)	(1,218,747)
Cash flows from financing activities		
Government grants received	24,193,286	21,697,673
Interest paid	(105,168)	(106,002)
Payment of principal portion of lease liabilities	(1,208,302)	(1,234,604)
Net cash generated from financing activities	22,879,816	20,357,067
Net (decrease)/increase in cash at banks	(7,305,804)	1,538,357
Cash at banks at the beginning of financial year	31,191,905	29,653,548
Cash at banks at the end of financial year (Note 8)	23,886,101	31,191,905

The accompanying notes form an integral part of these financial statements.

Competition and Consumer Commission of Singapore
Notes to the Financial Statements
For the financial year ended 31 March 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate information

Competition and Consumer Commission of Singapore (the "Commission") was established as a statutory board in Singapore under the provisions of the Competition Act 2004 (the "Act").

As a statutory board, the Commission is subjected to the control of its supervisory ministry, Ministry of Trade and Industry ("MTI"). The Commission is required to follow the policies and instructions issued from time to time by MTI and other government ministries and departments such as the Ministry of Finance ("MOF").

The principal place of business and registered office is located at 45 Maxwell Road, #09-01, The URA Centre, Singapore 069118. The Commission's functions and duties are principally to:

- a. maintain and enhance efficient market conduct and promote overall productivity, innovation and competitiveness of markets in Singapore;
- b. eliminate or control practices having adverse effect on competition in Singapore;
- c. promote and sustain competition in markets in Singapore;
- d. promote a strong competitive culture and environment throughout the economy in Singapore;
- e. act internationally as the national body representative of Singapore in respect of competition matters and consumer protection matters;
- f. promote fair trading practices among suppliers and consumers and enable consumers to make informed purchasing decisions in Singapore;
- g. prevent suppliers in Singapore from engaging in unfair practices;
- h. administer and enforce the Consumer Protection (Fair Trading) Act 2003;
- i. advise the Government, any public Commission or any consumer protection organisation on national needs and policies in respect of competition matters and consumer protection matters generally; and
- j. perform such other functions and discharge such other duties as may be conferred on the Commission by or under any other written law.

2. Material accounting policies information

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provisions of the PSG Act, the Act and the Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and SB-FRS Guidance Notes as promulgated by the Accountant-General. The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (S\$), which is the Commission's functional currency.

The financial statements of the Company have been prepared on the basis that it will continue to operate as a going concern.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Commission has adopted all the new and amended standards which are relevant to the Commission and are effective for annual financial periods beginning on or after 1 April 2023. The adoption of these standards did not have any material effect on the financial statements of the Commission.

2. Material accounting policies information (continued)

2.3 Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

The Commission expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

2.4 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Useful lives</u>
Furniture, fixtures and equipment	8 years
Office equipment	5 to 10 years
Computer equipment	3 to 5 years

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.5 Impairment of non-financial assets

The Commission assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Commission makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2. Material accounting policies information (continued)

2.6 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the Commission becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Commission measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Commission's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Commission only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Debt instruments at fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt instrument that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2. Material accounting policies information (continued)

2.6 Financial instruments (continued)

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Commission becomes a party to the contractual provisions of the financial instrument. The Commission determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.7 Impairment of financial assets

The Commission recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Commission expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

2. Material accounting policies information (continued)

2.7 Impairment of financial assets (continued)

The Commission applies the simplified approach to provide for ECLs for other receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

The Commission considers a financial asset in default when the receivables is unlikely to pay its credit obligations to the Commission in full, without recourse by the Commission to actions such as realising security (if any is held). However, in certain cases, the Commission may also consider a financial asset to be in default when internal or external information indicates that the Commission is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Commission. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash held under Centralised Liquidity Management ("CLM") scheme and cash balances with the Accountant-General's Department which are subject to an insignificant risk of change in value.

2.9 General provisions

Provisions are recognised when the Commission has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.10 Government grants

Government grants are recognised initially at their fair value where there is a reasonable assurance that the grants will be received and the Commission will comply with the conditions associated with grants.

Government grants utilised for the purchase of depreciable assets are initially recorded as "deferred capital grants" on the statement of financial position of the Commission. Deferred capital grants are then recognised in the statement of comprehensive income over the periods necessary to match the depreciation of the assets purchased, with the related grants. Capital grants are recognised in the statement of income and expenditure and other comprehensive income on a systematic basis over the useful life of the asset. Upon disposal of the asset, the balance of the related deferred capital grants is recognised in the statement of income and expenditure and other comprehensive income to match the net book value of assets written off.

Other government grants are recognised as income over the periods necessary to match the expenditure for which they are intended to compensate, on a systematic basis.

2. Material accounting policies information (continued)

2.11 Leases

The Commission assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Commission applies a single recognition and measurement approach for all leases, except for leases of low-value assets. The Commission recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Commission recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Commission at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.5.

The Commission's right-of-use assets are presented as a separate line item in the Statement of Financial Position and Note 5 to the financial statements.

Lease liabilities

At the commencement date of the lease, the Commission recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Commission and payments of penalties for terminating the lease, if the lease term reflects the Commission exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Commission uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Commission's lease liabilities are disclosed in Note 10.

2. Material accounting policies information (continued)

2.11 Leases (continued)

Leases of low-value assets

The Commission applied the lease of low-value assets recognition exemption to leases of IT equipment that is considered to be low value. Lease payments on leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.12 Revenue

Revenue is measured based on the consideration to which the Commission expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Commission satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Application fee

Application fees income is recognised over time when the service is being provided.

(b) Interest income

Interest income is accrued on a time-proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.13 Financial penalties

Financial penalties are imposed on undertakings found to have infringed the prohibition under the Competition Act 2004. Financial penalties are collected on behalf of the supervisory ministry, and together with the interest accrued on financial penalties, are transferred to the Consolidated Fund at least one every quarter. Financial penalties are accounted for on a cash basis.

2.14 Employee benefits

(a) Defined contribution plans

The Commission makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Commission has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2. Material accounting policies information (continued)

2.14 Employee benefits (continued)

(c) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

2.15 Contribution to consolidated Fund

The Commission is required to make contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act 1989. The provision is based on the guides lines specified by the Ministry of Finance. It is computed based on the net surplus of the Commission for each of the financial year at the prevailing corporate tax rate for the Year of Assessment. Contribution to consolidated fund is provided for on an accrual basis.

3. Significant accounting judgements and estimates

The preparation of the Commission's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of the revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

(a) Determination of functional currency

In determining the functional currency of the Commission, judgement is used by the Commission to determine the currency of the primary economic environment in which the Commission operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

(b) Determination of lease term of contracts with extension options

The Commission determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Commission has lease contracts that include extension options. The Commission applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Commission reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend (e.g. construction of significant leasehold improvements or significant customisation to the leased asset).

3. Significant accounting judgements and estimates (continued)

3.1 Judgements made in applying accounting policies (continued)

(b) Determination of lease term of contracts with extension options (continued)

The Commission included the extension option in the lease term for leases of office because of the leasehold improvements made and the significant costs that would arise to replace the assets.

3.2 Key sources of estimation uncertainty

(a) Useful lives of plant and equipment

The Commission depreciates the plant and equipment over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the period that the Commission intends to derive future economic benefits from the use of the Commission's plant and equipment. Changes in the expected level of usage and technological developments could affect the economics, useful lives and the residual values of these assets which could then consequentially impact future depreciation charges. The carrying amount of the Commission plant and equipment as at 31 March 2024 was S\$2,530,603 (2023: S\$1,716,043).

(b) Leases – estimating the incremental borrowing rate

The Commission cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Commission would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Commission 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Commission estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

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4. Plant and equipment

	Furniture, fixtures and equipment	Office equipment	Computer equipment	Assets under construction	Total
	S\$	S\$	S\$	S\$	S\$
Cost					
At 01 April 2022	1,469,693	891,521	3,641,716	-	6,002,930
Additions	-	-	688,692	637,993	1,326,685
Reclassification to right-of-use assets	(324,489)	-	-	-	(324,489)
Written off	-	-	(71,513)	-	(71,513)
At 31 March 2023	-	-	-	-	-
(As restated)	1,145,204	891,521	4,258,895	637,993	6,933,613
Additions	-	-	1,625,102	-	1,625,102
Reclassification	-	-	612,993	(612,993)	-
Written off	(4,826)	-	-	-	(4,826)
At 31 March 2024	<u>1,140,378</u>	<u>891,521</u>	<u>6,496,990</u>	<u>25,000</u>	<u>8,553,889</u>
Accumulated depreciation					
At 01 April 2022	1,362,417	835,346	2,777,107	-	4,974,870
Depreciation	31,271	14,577	576,971	-	622,819
Reclassification to right-of-use assets	(308,606)	-	-	-	(308,606)
Written off	-	-	(71,513)	-	(71,513)
At 31 March 2023	-	-	-	-	-
(As restated)	1,085,082	849,923	3,282,565	-	5,217,570
Depreciation	30,507	7,738	772,297	-	810,542
Written off	(4,826)	-	-	-	(4,826)
At 31 March 2024	<u>1,110,763</u>	<u>857,661</u>	<u>4,054,862</u>	<u>-</u>	<u>6,023,286</u>
Carrying amount					
At 31 March 2023	-	-	-	-	-
(As restated)	<u>60,122</u>	<u>41,598</u>	<u>976,330</u>	<u>637,993</u>	<u>1,716,043</u>
At 31 March 2024	<u>29,615</u>	<u>33,860</u>	<u>2,442,128</u>	<u>25,000</u>	<u>2,530,603</u>

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5. Right-of-use assets

	Office premises	Office equipment	Total
	S\$	S\$	S\$
Cost			
At 01 April 2022	7,670,290	22,713	7,693,003
Modification of lease liability	3,508,682	-	3,508,682
Reclassification to plant and equipment	324,489	-	324,489
At 31 March 2023	11,503,461	22,713	11,526,174
Addition	-	16,367	16,367
Written off	-	(22,713)	(22,713)
At 31 March 2024	11,503,461	16,367	11,519,828
Accumulated depreciation			
At 01 April 2022	3,195,956	15,723	3,211,679
Depreciation	1,251,176	5,293	1,256,469
Reclassification to plant and equipment	308,606	-	308,606
At 31 March 2023	4,755,738	21,016	4,776,754
Depreciation	1,224,358	5,333	1,229,691
Written off	-	(22,713)	(22,713)
At 31 March 2024	5,980,096	3,636	5,983,732
Carrying amount			
At 31 March 2023	6,747,723	1,697	6,749,420
At 31 March 2024	5,523,365	12,731	5,536,096

Right-of-use asset acquired under leasing arrangements are disclosed in Note 19(a).

6. Investment security

	2024	2023
	S\$	S\$
Financial assets at amortised cost		
- MAS bill at fair value	9,994,772	-
Movement of financial assets		
	2024	2023
	S\$	S\$
Beginning of financial year	-	-
Additions during the year	9,911,600	-
Interest income (Note 15)	83,172	-
End of financial year	9,994,772	-

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7. Other receivables

	<u>2024</u>	<u>2023</u>
	<u>S\$</u>	<u>S\$</u>
Interest receivable	340,098	339,558
Other receivables	9,872	4,235
	<u>349,970</u>	<u>343,793</u>

Other receivable amounts are not past due and not impaired.

Other receivables are denominated in Singapore Dollar.

8. Cash and cash equivalents

	<u>2024</u>	<u>2023</u>
	<u>S\$</u>	<u>S\$</u>
Cash with AGD	13,960,070	24,708,369
Deposit with AGD	9,926,031	6,483,536
Cash and bank balances	<u>23,886,101</u>	<u>31,191,905</u>

The Commission participates in the AGD's Centralised Liquidity Management ("CLM") Scheme whereby the Commission's cash is pooled together and managed centrally by AGD, a related party. This does not affect the daily liquidity of the Commission. AGD pays interest on the Commission's cash with AGD. The weighted average effective interest rates range between 2.62% to 3.65% (2023: 0.49% to 2.85%) per annum.

Cash with AGD not available for general use relates to the financial penalties collected on behalf of the supervisory ministry, Ministry of Trade and Industry.

Cash and cash equivalents are denominated in Singapore Dollar.

9. Share capital

	<u>2024</u>		<u>2023</u>	
	<u>Number of</u>	<u>Amount</u>	<u>Number of</u>	<u>Amount</u>
	<u>shares</u>	<u>S\$</u>	<u>shares</u>	<u>S\$</u>
Issued and fully paid:				
At beginning and end of financial year	<u>2,097,892</u>	<u>2,097,892</u>	<u>2,097,892</u>	<u>2,097,892</u>

The shares have been fully paid for and are held by the Minister of Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act 1959. The holder of these shares, which has no par value and do not carry any voting rights, is entitled to receive dividends from the Commission. There is no dividend payable in current year.

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10. Lease liabilities

	2024	2023
	S\$	S\$
Current:		
- Lease liabilities	1,228,910	1,204,797
Non-current		
- Lease liabilities	4,455,894	5,671,941
	<u>5,684,804</u>	<u>6,876,738</u>

A reconciliation of liabilities arising from financing activities is as follows:

	Non-cash changes						31 March 2024
	1 April 2023	Cashflows	Modification of lease liabilities	Addition	Accretion of interest	Others	
	S\$	S\$	S\$		S\$	S\$	S\$
Lease liabilities							
- Current	1,204,797	(1,313,470)	-	16,368	105,168	1,216,047	1,228,910
- Non-current	5,671,941	-	-	-	-	(1,216,047)	4,455,894
	<u>6,876,738</u>	<u>(1,313,470)</u>	<u>-</u>	<u>16,368</u>	<u>105,168</u>	<u>-</u>	<u>5,684,804</u>

	Non-cash changes						31 March 2023
	1 April 2022	Cashflows	Modification of lease liabilities	Addition	Accretion of interest	Others	
	S\$	S\$	S\$		S\$	S\$	S\$
Lease liabilities							
- Current	1,282,860	(1,340,606)	3,508,682	-	106,002	(2,352,141)	1,204,797
- Non-current	3,319,800	-	-	-	-	2,352,141	5,671,941
	<u>4,602,660</u>	<u>(1,340,606)</u>	<u>3,508,682</u>	<u>-</u>	<u>106,002</u>	<u>-</u>	<u>6,876,738</u>

11. Deferred capital grants

	2024	2023
	S\$	(As restated) S\$
At 1 April	1,731,933	1,028,060
Transfer from operating grants	1,625,102	1,326,685
Transfer to the statement of comprehensive income	(810,928)	(622,812)
At 31 March	<u>2,546,107</u>	<u>1,731,933</u>
Representing		
Current	742,846	471,337
Non-current	1,803,261	1,260,596
	<u>2,546,107</u>	<u>1,731,933</u>

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12. Other payables and accruals

	<u>2024</u>	<u>2023</u>
	S\$	S\$
Other payables	1,452	4,306
Accrual for payroll related costs	2,049,747	1,727,438
Accrual for operating and other expenses	<u>1,896,990</u>	<u>1,999,516</u>
	<u>3,948,189</u>	<u>3,731,260</u>

Other payables are denominated in Singapore Dollar.

13. Provision for contribution to consolidated fund

The Commission is required to make contributions to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act 1989 and in accordance with the Finance Circular Minute No. 5/2005 with effect from 2004/2005. The amount to be contributed is based on 17% (2023: 17%) of the net surplus of the Commission, after netting off the prior years' accounting deficit.

14. Financial penalties

Financial penalties are imposed on undertakings found to have infringed the prohibitions under the Competition Act 2004. In accordance with the Finance Circular Minute No.M5/2016, legislated financial penalties are considered public moneys and are collected by the Commission on behalf of its supervisory ministry, MTI. All financial penalties collected by the Commission are paid into the Consolidated Fund in accordance with Section 13(2) of the Competition Act 2004.

Movements in the amount payable to supervisory ministry on financial penalties collected are as follows:

	<u>2024</u>	<u>2023</u>
	S\$	S\$
At 1 April	-	-
Financial penalties collected	308,680	297,351
Financial penalties paid to the supervisory ministry	<u>(308,680)</u>	<u>(297,351)</u>
At 31 March	<u>-</u>	<u>-</u>

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15. Income

	<u>2024</u>	<u>2023</u>
	S\$	S\$
Interest income on cash balances placed with AGD	766,976	409,289
Interest income on investment in MAS bill	83,172	-
Application fee income	134,305	610,497
Other operating income	41,941	72
	<u>1,026,394</u>	<u>1,019,858</u>

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with applicants, including significant payment terms, and the related revenue recognition policies:

Application fee income

Nature of services	The Commission provides guidance or decision in relation to agreement, conduct, mergers or anticipated mergers to the applicants.
When revenue is recognised	Revenue is recognised over time when the service is being provided.
Significant payment terms	Payment is received in advance, i.e. upon submission of application form.

Disaggregation of revenue from contracts with applicants

In the following table, revenue from contracts with applicants is disaggregated by primary geographical market.

	<u>2024</u>	<u>2023</u>
	S\$	S\$
Primary geographical markets		
Domestic	<u>134,305</u>	<u>610,497</u>

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15. Income (continued)

Contract balances

The following table provides information about contract liabilities from contracts with applicants.

	31 March	1 April
	2024	2023
	S\$	S\$
Contract liabilities	<u>113,031</u>	<u>7,336</u> <u>167,833</u>

The contract liabilities primarily relate to advance consideration received from applicants in respect of the services to be provided. Contract liabilities are recognised as revenue over the targeted timeline of the services to be provided. Contract liabilities have increased due the higher number of uncompleted cases as at year end.

Significant changes in the contract liabilities balances during the period are as follows:

	2024	2023
	S\$	S\$
Revenue recognised that was included in the contract liability balances at the beginning of the year	7,336	167,833
Increases due to application fee received*	<u>(113,031)</u>	<u>(7,336)</u>

*Excluding amounts recognised as application fee income during the year

16. Staff costs

	2024	2023
	S\$	S\$
Staff		
Salaries and bonuses	13,257,107	12,099,967
CPF, SDL and medisave	1,395,796	1,500,352
Medical fee	16,819	13,914
Staff welfare	33,810	62,058
	<u>14,703,532</u>	<u>13,676,291</u>
Total staff costs	<u>14,703,532</u>	<u>13,676,291</u>

17. Finance cost

	2024	2023
	S\$	S\$
Interest on lease liabilities	<u>105,168</u>	<u>106,002</u>

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18. Operating and other grants

	2024	2023
	S\$	(As restated)
		S\$
Grants received from government during the year	23,805,800	20,890,000
Projects grants received from government during the year	387,486	807,673
Transfer to deferred capital grants (Note 11)	<u>(1,625,102)</u>	<u>(1,326,685)</u>
	<u>22,568,184</u>	<u>20,370,988</u>

19. Leases

Commission as a lessee

The Commission leases office premises and office equipment. The leases typically run for a period of one to three years, with an option to renew the lease after the date. For lease of office premises, the rental rates are renegotiated every three years to reflect market rentals. The Commission is restricted from assigning and subleasing the leased assets.

The Commission also has certain leases of IT equipment with low value. The Commission applies the 'lease of low-value assets' recognition exemptions for these leases.

(a) Carrying amounts of right-of-use assets classified within plant and equipment

The carrying amount of right-of-use assets under leasing arrangements are disclosed in Note 5.

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are disclosed in Note 10 and the maturity analysis of lease liabilities is disclosed in Note 22 under liquidity risk.

(c) Amounts recognised in profit or loss

	2024	2023
	S\$	S\$
Depreciation of right-of-use assets (Note 5)	1,229,691	1,256,469
Interest expense on lease liabilities (Note 17)	105,168	106,002
Lease expense not capitalised in lease liabilities:		
- Expense relating to leases of low-value assets included in other operating expenses	<u>74,613</u>	<u>87,718</u>
Total amount recognised in profit or loss	<u>1,409,472</u>	<u>1,450,189</u>

(d) Total cash outflow

The Commission had total cash outflows for leases of S\$1,388,083 (2023: S\$1,428,324).

(e) Extension options

The Commission has several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Commission's business needs. Management exercises significant judgement in determining whether these extension options are reasonably certain to be exercised (Note 3.1(b)).

20. Significant related party transactions

For the purpose of these financial statements, parties are considered to be related to the Commission if the Commission has the ability, directly or indirectly, to control the party, exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Commission and the party are subject to common control or significant influence. Related parties may be individuals or other entities. In accordance with SB-FRS24 paragraph 25A, the Commission is exempted from disclosing transactions with government-related entities other than Ministries, Organs of State and other Statutory boards, unless there are circumstances to indicate that these transactions are unusual and their disclosure would be of interest to readers of financial statements.

Compensation of key management personnel

Key management personnel of the Commission are those persons have the authority and responsibility for planning, directing and controlling the activities of the Commissions. The core management are considered as key management personnel of the Commissions.

	<u>2024</u>	<u>2023</u>
	<u>S\$</u>	<u>S\$</u>
Short-term benefits and salaries paid to key management personnel	3,313,861	2,514,711
Allowance paid to non-executive Commission Members	<u>236,951</u>	<u>114,873</u>
Total amount recognised in profit or loss	<u><u>3,550,812</u></u>	<u><u>2,629,584</u></u>

21. Fair values of assets and liabilities

Assets and liabilities not measured at fair value

Other receivables and other payables

The carrying amounts of these balances approximate their fair value due to the short-term nature of these balances.

Cash and cash equivalents and lease liabilities

The carrying amounts of cash and cash equivalents and lease liabilities approximate their fair value as they are subject to interest rate close to market rates of interest for similar arrangements with financial institutions.

22. Financial risk management

The Commission's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk).

The Commission reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Commission's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Commission's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Commission's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Commission. The Commission's exposure to credit risk arises primarily from other receivables. For other financial assets (including cash and cash equivalents), the Commission minimises credit risk by dealing exclusively with high credit rating counterparties.

Other receivables

The Commission assessed the latest performance and financial position of the counterparties, adjusted for future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Commission measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Liquidity risk

Liquidity risk refers to the risk that the Commission will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Commission's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Commission is not subject to regulatory requirements to maintain a minimum cash level. It is the policy of the Commission to maintain a level of cash deemed adequate by the management to finance its operations and mitigate the effects of fluctuations in cash flows.

To manage liquidity risk, the Commission places surplus funds with AGD which are readily available where required.

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22. Financial risk management (continued)

Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Commission's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount	Contractual cash flows	One year or less	Two years or more
	S\$	S\$	S\$	S\$
2024				
Financial assets:				
Investment security	9,994,772	10,000,000	10,000,000	-
Other receivables	349,970	349,970	349,970	-
Cash at banks	<u>23,886,101</u>	<u>23,886,101</u>	<u>23,886,101</u>	<u>-</u>
Total undiscounted financial assets	<u>34,230,843</u>	<u>34,236,071</u>	<u>34,236,071</u>	<u>-</u>
Financial liabilities:				
Lease liabilities	5,684,804	5,898,978	1,313,633	4,585,345
Other payables and accruals	<u>3,948,189</u>	<u>3,948,189</u>	<u>3,948,189</u>	<u>-</u>
Total undiscounted financial liabilities	<u>9,632,993</u>	<u>9,847,167</u>	<u>5,261,822</u>	<u>4,585,345</u>
Net undiscounted financial assets/(liabilities)	<u>24,597,850</u>	<u>24,388,904</u>	<u>28,974,249</u>	<u>(4,585,345)</u>
2023				
Financial assets:				
Other receivables	343,793	343,793	343,793	-
Cash at banks	<u>31,191,905</u>	<u>31,191,905</u>	<u>31,191,905</u>	<u>-</u>
Total undiscounted financial assets	<u>31,535,698</u>	<u>31,535,698</u>	<u>31,535,698</u>	<u>-</u>
Financial liabilities:				
Lease liabilities	6,876,738	7,195,318	1,309,663	5,885,655
Other payables and accruals	<u>3,731,260</u>	<u>3,731,260</u>	<u>3,731,260</u>	<u>-</u>
Total undiscounted financial liabilities	<u>10,607,998</u>	<u>10,926,578</u>	<u>5,040,923</u>	<u>5,885,655</u>
Net undiscounted financial assets/(liabilities)	<u>20,927,700</u>	<u>20,609,120</u>	<u>26,494,775</u>	<u>(5,885,655)</u>

22. Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Commission's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Commission's financial instruments will fluctuate because of changes in market interest rates. The Commission's exposure to interest rate risk arises primarily from their investment security, cash and cash equivalents and lease liabilities.

The sensitivity analysis has been determined based on the exposure to interest rates for cash and cash equivalents balances at the reporting date. If interest rates had been 100 basis points higher or lower with all other variables held constant, the Commission's surplus before tax for the year ended 31 March 2024 would have increased/declined by S\$326,105 (2023: S\$247,084).

23. Financial instruments by category

At the reporting date the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	<u>2024</u>	<u>2023</u>
	<u>S\$</u>	<u>S\$</u>
Financial assets measured at amortised cost		
Investment security (Note 6)	9,994,772	-
Other receivables (Note 7)	349,970	343,793
Cash at banks (Note 8)	<u>23,886,101</u>	<u>31,191,905</u>
Total financial assets measured at amortised cost	<u>34,230,843</u>	<u>31,535,698</u>
Financial liabilities measured at amortised cost		
Lease liabilities (Note 10)	5,684,804	6,876,738
Other payables and accruals (Note 12)	<u>3,948,189</u>	<u>3,731,260</u>
Total financial liabilities measured at amortised cost	<u>9,632,993</u>	<u>10,607,998</u>

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24. Capital management

The Commission manages its capital base in consideration of current economic conditions and its plan for the year in concern. The request for grants from the Ministry of Trade and Industry is made through the annual budget exercise. The Commission is not exposed to any external capital requirements. However, it is required to comply with FCM No 26/2008 under the Capital Management Framework for Statutory Board. The capital structure of the Commissions consists of accumulated surpluses and share capital. The Commission's capital structure remains unchanged since 31 March 2023.

25. Comparative information

The prior year's comparative figures have been restated to appropriately record the capitalisation of plant and equipment acquired.

As a result of the above, certain line items have been restated in the statement of financial position, statement of comprehensive income and statement of cash flows as set out below:

As at 01 April 2023	As previously reported	Increase/ (decrease)	As restated
	S\$	S\$	S\$
Statement of Financial Position (extract)			
Assets			
Non-current assets			
Plant and equipment	737,917	978,126	1,716,043
Liabilities			
Non-current liabilities			
Deferred capital grants	731,940	528,656	1,260,596
Current liabilities			
Deferred capital grants	<u>21,867</u>	<u>449,470</u>	<u>471,337</u>
Statement of Comprehensive Income (extract)			
Expenditure			
Depreciation of plant and equipment	(501,746)	(121,073)	(622,819)
Information technology system	(1,593,794)	(332,365)	(1,926,159)
Other expenses	(3,593,880)	1,431,564	(2,162,316)
Operating and other grants	21,470,188	(1,099,199)	20,370,989
Deferred capital grant amortised	<u>501,739</u>	<u>121,073</u>	<u>622,812</u>
Statement of Cash Flows (extract)			
Net cash used in operating activities	(18,699,163)	1,099,199	(17,599,964)
Net cash used in investing activities	<u>(119,548)</u>	<u>(1,099,199)</u>	<u>(1,218,747)</u>

During the financial year, the Commission reclassified certain expenses in the Statement of Comprehensive Income from "Other expenses" to "Information technology expenses" to reflect the nature more appropriately for current year presentation. Comparative amount in the Statement of Comprehensive Income are reclassified for consistency.

As a result of the above, the comparative figure for "Other expenses" was reduced by \$332,365 and "Information technology system" was increased by \$332,365 in the Statement of Comprehensive Income.

26. Authorisation of financial statements for issue

The financial statements for the Commission for the financial year ended 31 March 2024 were authorised for issue by the Commission on the date of the Statement by Commission Members.

At the Competition and Consumer Commission of Singapore, we are committed to minimising our carbon footprint, conserving resources and promoting eco-friendly practices throughout our work.



Reducing energy consumption



Conserving water



Minimising waste and promoting recycling



Implementing sustainable procurement practices



Supporting energy-efficient devices and green technologies



Educating and engaging employees and stakeholders/vendors on sustainability

FY23 Highlights in Environmental Sustainability



Reducing carbon footprint and waste

We have taken steps to lower our carbon emissions by promoting the use of recycled and renewable materials. We have switched to paper made from 100% renewable fibre. Officers are encouraged to reduce paper use and waste. Many have now switched to bringing their own containers and cutlery for take-away food.

In FY2023, we shredded and recycled 2,591kg of used paper. Officers have also been advised to go digital and print less.



Water and Energy Conservation

Water usage increased from 34.95 CuM in FY2022 to 37.82 CuM in FY2023, and energy consumption rose from 287,590 kwh in FY2022 to 293,474 kwh in FY2023, mainly due to resumption of office attendance, following the removal of Covid-19 restrictions.

To manage further increases, we have put in water and energy conservation measures including installation of automatic light sensors in the pantry and rest areas and upgraded to energy-saving LEDs throughout the office. We have prominently displayed reminders to conserve energy by switching off appliances when not in use.



Supply Chain Sustainability

We are committed to promoting sustainability within our supply chain by collaborating with suppliers to ensure compliance with environmental standards. In recent tenders, we have encouraged bidders to use technology for efficiency to reduce waste and utilities usage. We also prioritise the procurement of recycled and energy-saving materials.

Looking ahead, we remain committed to improving our sustainability efforts and contributing to a sustainable future, while maintaining the success of our operations.